

271059

JPRS-SEA-88-032  
29 JULY 1988



**FOREIGN  
BROADCAST  
INFORMATION  
SERVICE**

# ***JPRS Report***

DISTRIBUTION STATEMENT A

Approved for public release;  
Distribution Unlimited

## **East Asia**

### ***Southeast Asia***

19980626 095

REPRODUCED BY  
U.S. DEPARTMENT OF COMMERCE  
NATIONAL TECHNICAL  
INFORMATION SERVICE  
SPRINGFIELD, VA 22161

DTIC QUALITY INSPECTED 6

10  
44  
A03

# East Asia Southeast Asia

JPRS-SEA-88-032

## CONTENTS

29 July 1988

### INTER-ASIAN

Australia 'Opposes Any Moves' Towards Increased Japanese Military Role [Sydney <i>THE AUSTRALIAN</i> , 8 Jun 88]	1
---	---

### AUSTRALIA

Editorial: 'Provocative' U.S. Trade Moves Threaten Alliance	2
Farmers Federation Demands U.S. Joint Facilities Reassessment, Cite Trade Issues	2
Libyan Government Recognizes Aboriginal Australian Passports	3

### BURMA

Youth Delegation Departs for PRC	4
Japan Extends Debt Relief	4
Action Against Artificially Raised Prices	4

### FIJI

Editorial Comment on Amnesty Offer to Illegal Arms Holders	7
Army Seizes Lawyer, Lecturer	7
Paper Reports on Increase in Government's Expected Revenue	8
Editorial on Government Budget	9

### INDONESIA

Parliament Speaker Receives Colombian Senators in 'Cordial Meeting'	10
ROK To Step Up Investments in Industrial Export Sector	10
Minister Outlines Strategy To Cope With Population Boom	10
Upindo Bank To Sell Bonds Worth 25 Billion Rupiah	11

### LAOS

UNHCR Aid to Northern Provinces	12
GDR Red Cross Aid	12
Indian, FRG Gifts to Children	12

### MALAYSIA

Unionist Criticized for Urging U.S. To Drop GSP for Country	13
Petronas Exploration, Production Costs Reported	13
MCA Youth Outlines Program To Resist Religious, Racial Extremism	14

### PAPUA NEW GUINEA

Australia Reaffirms Defense Commitment	16
--	----

### PHILIPPINES

Cebu Governor Vows To Oppose 'Leftists,' Cites U.S. Bases, Other Issues	17
Aquino Receives Managua Envoy, Discusses Cooperation, LDC Dialogue	18
Public 'Disappointment' in PCGG Cited Pending Agency's Expiration	18
Morales Analyzes Need for Agrarian Reform, Industrialization	19
Pope Advises Aquino Heed Encyclical on Social Concern in Tackling National Issues	21

WE FORUM Columnist Hits Aquino Vatican Visit, Reform Deception .....	22
Columnist Views Both Houses of Congress at Session's End .....	22
Raid Against Legal PKP Called 'Intolerance' at Highest Levels of Government .....	23
Anticommunist Group Complains of Problems in Issuance of Mission Orders .....	24
Columnist Sees Vigilantism as Threat to Nation .....	25
Alsa Masa's Pala Discusses Shift From Right in Crusade .....	26
Students, Police Official Cite Intensification of Crackdown Against Activists .....	27
Editorial Warns Government Against Easy Terms for Marcos 'Cronies' .....	29

## THAILAND

NESDB Official Predicts Record Growth .....	30
---	----

## VIETNAM

### POLITICAL

CPV Ended Vietnam War by 'Fighting While Negotiating' .....	32
Survey Reflects Attitude of Youths Toward Negative Acts .....	37

**Australia 'Opposes Any Moves' Towards  
Increased Japanese Military Role**

42000404a Sydney *THE AUSTRALIAN* in English  
8 Jun 88 p 2

[Article by Roy Eccleston]

[Text] Australia opposes any moves toward an increased military role for Japan in the security of the Asia-Pacific region, the Minister for Foreign Affairs and Trade, Mr Hayden, said yesterday.

In a speech—on Leadership in the Asia-Pacific—to the East-West Centre in Hawaii, he said some North Asian nations might worry that economic pressures could force reductions in the United States defence budget, and weaken U.S. commitment to its traditional leadership role and military presence in Asia.

"These doubts could feed impulses towards militarisation by other countries in Asia fearful of a power vacuum which might be created by any American withdrawal from the region," he said.

Australia wanted and expected the U.S. to stay as the main Western power in the region, which he said was entering a time of difficult economic and political transitions.

Australia, he emphasised, did not approve of moves towards the U.S. sharing regional power with Japan. This contrasts with the reported view of the Leader of the Opposition, Mr Howard, who earlier this year said he supported an increased Japanese military role in the region.

Mr Hayden said that without continued agreement on arms reductions between the U.S. and the Soviet Union, the need for increased military spending and research would force the U.S. into dilemmas in its relationship with Japan, such as:

- Whether to call on Japan for a greater contribution to the cost of the Western security umbrella in the region.
- Whether to ask Japan to replace some U.S. military presence in the region, requiring a further increase in the Japanese defence budget, already the third largest in the world.
- Whether to require Japan to carry out more military research and development.

The speech suggests Mr Hayden believes Japan should limit its regional security role to aid, and freer trade.

He said there were deep-seated concerns in the Asia-Pacific region about any resurgence in Japanese militarism.

"The prudent course, in Australia's considered view, is to maintain the status quo."

Mr Hayden disagreed with theories of a decline in U.S. global might, requiring a reduced U.S. military role. The U.S. economy was strong and resilient, and providing some hard economic decisions were made to improve U.S. productive capacity, it would continue to be dominant.

However, he warned the U.S. that trade protectionism in particular could damage the security of the region.

The U.S. decision to increase subsidised wheat production would damage Australia's ability to contribute to the stability and security of the Asian Pacific.

Protectionism could also foster a dangerous anti-American sentiment in Asian countries that have traditionally been strongly pro-American.

/9274

**Editorial: 'Provocative' U.S. Trade Moves  
Threaten Alliance**

42000404c Sydney *THE AUSTRALIAN* in English  
20 Jun 88 p 8

[Editorial: "U.S. Sincerity Questioned Over Wheat Threat..."]

[Text] Reports that the United States is considering selling wheat subsidised under its Export Enhancement Program (EEP) to Indonesia, one of Australia's most important markets, are deeply disturbing.

If such subsidised sales are made by the U.S., they will cause price damage to Australian sales and help to depress national export earnings and grain farmers' incomes.

There is also a real danger they may undermine Australia's share of the Indonesian market, in which we traditionally supply up to 50 per cent of annual requirements.

The U.S., it must be stressed, has not yet made a firm offer of EEP wheat to Indonesia—but an American "trade and aid" mission passed through there in April and broached the subject, and such actions in the past have proved to be a precursor to a firm subsidy offer.

Although the U.S. is, according to its own definition of the rules of the subsidy war, entitled to use EEP to counter modest subsidised sales by the EC and slightly larger subsidised sales by Saudi Arabia, in Indonesia it must weigh up the benefits to itself against the consequences of an act that will inevitably be seen as an outright provocation by Australia.

Australia's grain industry has never feared open and fair competition with the U.S. in any market. Its objection has always been to the use of unfair, needless and distortionary measures that damage both our overall returns and our market share.

U.S. actions in persistently offering subsidised farm commodity deals make a mockery of its own repeatedly expressed wish to put an end to the world farm trade madness.

The U.S. is in imminent danger of being seen as an insincere broker in world trade negotiations and thereby contributing to their failure, and to economic decline on a global scale.

Although the U.S. has insisted its subsidies are targeted at Europe and other unfair competitors, the inevitable result is that the non-subsidising countries—Australia and Argentina—suffer most.

This is self-evident from the collapse in Australian wheat production induced by the artificially low world prices that flowed to a large degree from the U.S. lowering its loan rate and using export subsidies.

It is also evident from the fact that our share of world markets has fallen from 20 to 10 per cent over three years.

For the U.S. to offer fresh subsidies to a traditional market right on Australia's doorstep would be flagrantly provocative, and would push already sour trade relations between the two countries towards a crisis.

The consequences of such a crisis, and the mistrust and animosity it will spawn—as this column has repeatedly asserted—cannot be measured in damage to the trade relationship alone, but will inevitably poison other areas of co-operation and mutual reliance, including the alliance.

It is the duty of the Prime Minister, Mr Hawke, to press this issue to both the Reagan administration and the two presidential aspirants in the most forceful terms and seek to bring U.S. policy to its senses.

Mr Hawke has made the Australia-U.S. relationship one of the hallmarks of his own prime ministership. He must make Washington understand that such a relationship cannot and must not be ruined by the short-sighted use of corrupt, damaging and hypocritical measures.

/9274

**Farmers Federation Demands U.S. Joint Facilities  
Reassessment, Cite Trade Issues**

42000404d Sydney *THE AUSTRALIAN* in English  
21 Jun 88 p 2

[Article by Julian Cribb]

[Text] Angry Australian farmers are demanding the United States joint defence facilities in Australia be included in a reassessment of the relationship between the two countries.

The National Farmers Federation (NF) director, Mr Rick Farley, warned yesterday that farmers who were traditionally the strongest supporters of the U.S.-Australia alliance, now wanted to put the bases on the negotiating table.

The NFF was receiving an increasing flow of strongly worded resolutions from its member organisations and their branches condemning the U.S. over its farm subsidy activity and calling for a reappraisal of the relationship.

"The fact that all of that is happening is evidence of a very big mind-shift in the Australian population—and the Americans should be very, very aware of that," he said.

"It is an incredible danger sign for them."

The president of the American Farm Bureau Federation, Mr Dean Kleckner, during his recent visit to Australia, had said that U.S. policies were hurting Australia, that the U.S. was sorry about it but it was going to keep on doing it, Mr Farley said.

"That's about where it is. It is rapidly approaching the time when the whole relationship between the U.S. and Australia needs to be reassessed," he said.

"A lot of people in agriculture are becoming very cynical about the U.S. approach to trade issues.

"The Americans, clearly, are not giving Australia any kind of recognition for the relationship which the two nations have had over the last 50 years or longer.

"A lot of our people are now starting to question the value of any in-close relationship.

"There is certainly pressure for that reassessment coming from our people—and the fact that it is coming from people who are traditionally the strongest supporters of the alliance is very indicative of what's happening."

Mr Farley said that the NFF's policy was to keep defence and trade issues separate—but that it was coming under heavy pressure to change that.

"There are resolutions reaching us from the branches and regions and State bodies calling for American bases to be part of the negotiations," he said.

"There's also lots and lots of resolutions which straight-out condemn the U.S. and get stuck into them."

Mr Farley held little hope that the Prime Minister, Mr Hawke, would be able to convince the U.S. to alter its policies at this time because of the presidential election, and the public sympathy which drought-affected American farmers were receiving.

"Any overt criticism of agricultural policy is going to be seen by inference to be criticism of farmers—and it's just not going to wash, so I'm not very hopeful at all," he said.

"All that we can do is keep on plugging away."

The director of the Grains Council of Australia, Mr Laurie Eakin, said that although some argued that defence issues were out of the farm organisations' province, others felt they were directly interlinked.

### **Libyan Government Recognizes Aboriginal Australian Passports**

45000117 Sydney THE SYDNEY MORNING  
HERALD in English 21 Jun 88 p 3

[Article by Antony Walker]

[Text] Cairo, Monday: The Aboriginal activist Mr Michael Mansell says Libya has enormously boosted efforts towards Aboriginal sovereign status in Australia by becoming the first nation to endorse "Aboriginal passports."

In a telephone interview from Tripoli, Mr Mansell said Libya's acceptance, as valid travel documents, of the Aboriginal passports used by his group of 12 Aborigines and two Maoris was the "first time any country outside Australia has given unequivocal support to the Aboriginal struggle."

He said the endorsement of Aboriginal passports amounted to an international agreement between the "Aboriginal nation" and the Libyan people. He would consider asking the Libyans whether they wished to establish an office in Australia to liaise with Aboriginal representatives.

Libyan diplomats were expelled from Australia in May 1987 after the Government accused them of seeking to foment trouble in the Pacific.

Mr Mansell would not identify the Libyan officials his group had met since they arrived in Tripoli about a week ago, and he would not say whether Libya had agreed to financially support Aborigines.

He said the Libyans intended to give practical assistance, but its form was "strictly a matter for the Aboriginal people and not for the public."

"It's none of their bloody business," Mr Mansell said. "We don't owe the Australian public anything."

Mr Mansell said there had been no discussion with Libya about possible support for armed struggle in Australia. "If we want to kill people, we don't have to get Libyan help to do it," he said.

He hopes to meet Colonel al-Qadhdhafi later this week. "Aborigines were fighting against 16 million people in Australia, most of whom are racist," he said.

An adviser to the Tasmanian Aboriginal Centre, Mr Mansell claimed Australia had tacitly recognised the Aborigines' separate status. Immigration officials let his group leave Australia on their Aboriginal passports and did not insist on seeing Australian travel documents.

He said the Libyans had showed his group how "they were passing on skills to workers." This process in Australia, he said, was crucial to Aboriginal sovereignty.

### **Youth Delegation Departs for PRC**

42000413b Rangoon *THE WORKING PEOPLE'S DAILY* in English 23 Jun 88 p 8

[Text] Rangoon, 22 June—At the invitation of the Communist Youth Central Committee Headquarters of the People's Republic of China to study youth organizations in PRC, a Burmese youth delegation headed by Lanzin Youth Central Organizing Committee Chairman Council of People's Attorneys member U Sein Win left for the People's Republic of China by air at 1 pm today.

The Burmese youth delegation was seen off at Rangoon Airport by Lanzin Youth Central Organizing Committee Vice-Chairman Deputy Minister for Education Dr Maung Di, Secretary U Hla Tun, Joint Secretaries U Kyaw Sunn and U Win Maung and LYCOC members, responsible personnel of the Ministry of Foreign Affairs, friends and relatives, Ambassador of the People's Republic of China to Burma Mr Cheng Ruisheng and responsible personnel of the embassy.

The Burmese youth delegation includes Mon-ywa Township Lanzin Youth Organizing Committee Secretary U Aung Than Swe as secretary to the delegation, and Myitkyina Township Lanzin Youth Organizing Committee Secretary U Kaman Du Naw, Loikaw Township Lanzin Youth Organizing Committee Secretary Daw Than Than Tin and Matupi Township Lanzin Youth Organizing Committee Secretary Daw Hau Lan Vung as members.—NAB

/06662

### **Japan Extends Debt Relief**

42000413c Rangoon *THE WORKING PEOPLE'S DAILY* in English 25 Jun 88 p 1

[Text] Rangoon, 24 June—Deputy Minister for Planning & Finance U Nyunt Maung and Ambassador of Japan to Burma Mr Hiroshi Ohtaka exchanged a note at the Ministry of Planning & Finance this afternoon.

The note concerns the Japanese Government grant aid amounting to Yen 3,654.832 million (about US dollars 29.2 million) to be provided to the Government of the Socialist Republic of the Union of Burma by the Government of Japan.

This grant which is in the nature of debt relief is extended by the Japanese Government as Burma has become a least developed country.

Subsequent to becoming a least developed country negotiations were conducted with the Japanese Government on debt relief.

The total repayment that has to be made in 1988 on all Japanese loans to date comes to Yen 10.8 billion equivalent to US dollars 86.4 million.

The Japanese Government's view is to reimburse loan repayments in accordance with the 1978 demarcation. This amounts to Yen 7.1 billion equivalent to US dollars 56.8 million for this year.

The reimbursement is to be made in the form of half yearly grants and the present grant is the first of its kind.

The new Japanese Government policy on debt relief to LDC countries including Burma is to extend the coverage up to loans committed in fiscal year 1987.

The Grant is untied and to be used for procurement of machinery, equipment, raw materials and spare parts required for Energy, Industry, Mining, Agriculture, Transport and Trade Sectors.

Present on the occasion were Deputy Minister for Planning & Finance U Kyaw Myint, Deputy Minister for Foreign Affairs U Saw Hlaing, Deputy Minister for Mines U Ko Ko Than, Deputy Minister for Industry U Oo Saw Hla, Deputy Minister for Trade U Yan Naung Soe, Deputy Minister for Agriculture & Forests U Aung Win, Deputy Minister for Transport & Communications U Tin Tun, officials of the Embassy of Japan and representatives of the Burmese Agencies concerned.—NAB

/06662

### **Action Against Artificially Raised Prices**

42000417 Rangoon *THE WORKING PEOPLE'S DAILY* in English 4 Jul 88 pp 1, 4

[Text] Rangoon, 3 July—The Rangoon Division Party Regional Committee and Rangoon Division People's Council met registered rice wholesalers and major traders in fish, meat and essential kitchen commodities today at the Rangoon City Development Committee building to underscore the fact that tough action is to be taken to bring down the soaring commodity prices in Rangoon which are being artificially raised through greed and avarice.

The Rangoon Division Party Regional Committee and Rangoon Division People's Council held discussions on matters concerning soaring commodity prices with registered wholesale rice dealers and large traders in fish, prawn and meat in 27 townships in Rangoon City Development Committee building this morning.

Chairman of the Rangoon Division Party Regional Committee U Ye Win pointed out that prices of rice, oil, fish and meat, prawns and kitchen items have been rising exorbitantly. This has been particularly so since Section 144 of the Criminal Procedure Code was invoked in Rangoon City Development area when the prices have soared exorbitantly to unjustifiable heights.

The Rangoon Division Party Regional Committee chairman said that 11 kinds of crops including paddy had been declared decontrolled crops by the State and permission given to citizens, including naturalized citizens, to do business in accordance with the Private Enterprises Law.

He continued that such crops had been decontrolled by the State with the aim of getting reasonable profits for the private traders and of bringing down commodity prices as well as of bringing mutual benefits to both the working people and the private traders.

If the private traders do business with avarice and greed there can be no justice and if they become extreme in selfishness they shall suffer the results of their greed.

He underscored the fact that such avarice and greed would not be condoned by anyone either according to the Buddha's teachings or according to the currently-held ethical and moral views.

Continuing, the chairman of the Rangoon Division Party Regional Committee said that while the State was distributing crops before decontrol false rumours were deliberately spread about rise in the price of crops, including paddy, and fish, meat, prawns and kitchen items. He also warned that exorbitant soaring of prices after crops had been decontrolled was the sole responsibility of those who spread such rumours.

He went on to say that at the time when the State was distributing and selling rice, the lowest price of rice was K 2.10 per pyi and the highest was K 5, after decontrol, the price rose from K 7 per pyi to about K 15. Previously, the State had sold ngasein at a rate of K 2.10 per pyi, but now the price in private market was about K 7 per pyi. Similarly, price of emahta rose from K 3 per pyi to K 9, meedon rice from K 3-50 to K 10 and ngakywe rice from K 5 to about K 15.

Such exorbitant soaring of prices vividly shows how the rights provided under the private enterprises law are being abused contrary to the goodwill and good intentions of the State.

He continued that at harvest time when paddy was ready to be sold the purchase price of rice by private dealers was only from K 1,500 to K 2,000 per 100 baskets. Hence it was found that private dealers could sell rice at a rate of K 3 to K 3-50 per pyi at the lowest and from K 5 to K 6 at the highest with expenditures for purchase, storage and milling added and reasonable profit taken.

Similarly, it was found that price of fish, meat and prawn has become higher at an average of K 10 to K 15 per viss since Section 144 of the Criminal Procedure Code was invoked. The price of fish and prawn has been raised when they are sold at wholesale price at Keighley depot and accordingly the retail price of fish and prawn for retailers have risen to as much as one and a half-fold, he

pointed out. Likewise, the price of meat such as pork, beef and mutton, also rose by about K 10, edible oil from K 60 to K 70. The rise of price of edible oil at a rate of K 10 per viss is a vivid indication of the lack of fairness and justice between seller and consumer.

He went on to say that the present situation is not as it should be based on our current production situation: it could be calculated that the prices of those commodities would not rise as much as that if they are sold at prices in which only reasonable profits have been added. He pointed out that the persons who have avaricious greed shall bear all the consequences and responsibility should a problem arise due to the public reaction over the skyrocketing prices. The State will also take necessary action to deal with the situation, he added.

He then called on responsible personnel of the People's Council at different levels, in accord with prescribed laws and through management means, to take effective action against soaring commodity prices.

In conclusion, he said, as all present at the meeting being either citizens or naturalized citizens, he called on them to be loyal to the State and try to strike a balance between public and personal interest, avoiding avaricious greed, in dealing with the food, shelter and clothing problems of fellow citizens in the interest of the country.

Rangoon Division People's Council Chairman U Kyaw Thein then addressed the gathering.

He said that there are 448 persons having registered for rice wholesale business in the division and of them 234 are from Rangoon City Development Committee area. He went on to say that the decontrol of rice and other crops was aimed at enabling the people to buy them at reasonable prices and at allowing traders to enjoy reasonable profits. But the price of rice did not fall day by day, on the contrary, it has been rising and that other commodity prices are also soaring, he added.

He then spoke on how the State is distributing meat, fish, and livestock and kitchen items to consumers in Rangoon. He said the project to bring about smooth flow and bring down prices of meat, fish and livestock and kitchen items in Rangoon City Development area was launched on 1 January, 1986, by the Ministry of Cooperatives under the guidance of the Burma Socialist Programme Party Central Committee Headquarters. The Rangoon Division Syndicate of Township Cooperatives and cooperative societies at different levels coordinated with the other State/Division Syndicate of Township Cooperatives to distribute them.

Though successful, the project could not satisfy consumer demand. It has been found that inability to distribute the commodities to meet the demand was due



to the financial situations at cooperatives at different levels and inadequate supply of commodities from other State/Division Syndicate of Township Cooperatives to them.

On the other hand it was found that big traders had been manipulating the market and creating situations to destabilize the price. As a result, the people had to suffer exorbitant prices.

He went on to say that the price of rice, meat, fish and prawns in rural towns are not as high as in Rangoon and that there is a big gap in price of commodities between Rangoon and in other towns. The prices should be not as high as they are now even if transport charges, waste and loss and reasonable profits have been taken into account, he said.

He said that some might say that the prices rose due to transportation problems caused by Section 144. If that happens to be the case, the Rangoon Division People's Council will do its utmost to convenience matters if individual cases are submitted through the Township People's Councils concerned.

The wholesale traders then took part in the discussions after which the discussion ended with concluding remarks by the Party Regional Committee chairman.

At the discussions, Rangoon Division People's Council Secretary Lt-Col Tun Aung acted as master of ceremonies.

The discussion was attended by the Rangoon Division Party Regional Committee secretary and members, Rangoon City Mayor, Rangoon City Development Committee Chairman Col Aung Khin and members, Divisional People's Council Executive Committee members, Divisional Judges Committee Chairman Lt-Col Thein Myint, Divisional Inspectorate Chairman U Myo Nyunt, Township Party Unit chairmen and People's Council chairman from 27 townships in Rangoon Division, invited guests and the registered-wholesale traders of rice and fish and meat traders.—NAB

/06662

**Editorial Comment on Amnesty Offer to Illegal Arms Holders**

42000415e Suva *THE FIJI TIMES* in English  
24 Jun 88 p 6

[Text] The government last night announced a carrot-and-stick approach in its efforts to recover illegal arms believed to be still undiscovered.

The carrot is a one-month amnesty period during which anyone involved will be guaranteed anonymity and freedom from sterner action if they turn in the remainder of the weaponry.

On the stick side, Minister for Home Affairs Brigadier Sitiveni Rabuka made it very clear that if, after a month, the arms had not been recovered, those responsible would face severe punishment.

The offer comes as something of a surprise, but it appears to us to be reasonable and even generous. It is certainly far better than the perpetrators of the arms plot have any right to expect.

There are many points of view in this nation's political spectrum. But there is no doubt that our problems will not be soled by use of arms.

If we are to find an acceptable solution, it must come against a backdrop of peace and order.

The offer of amnesty is also an indication that the government is prepared to put the security of the nation and its people ahead of the need to punish those who imported the arms.

It clearly considers the finding of the remaining weapons to be of paramount importance.

We would agree, and hope, that those who know the whereabouts of the rest of the guns will turn them in.

Bullets do not recognise political opinions, nor do they distinguish between the guilty and the innocent. Their use will not solve anything.

The people of this country have always solved their problems by respect and dialogue. We must continue to do so.

We can only hope, and we believe most people in Fiji will join us, that the amnesty has its effect, and removes the spectre of armed warfare from our midst.

/06662

**Army Seizes Lawyer, Lecturer**

42000415d Suva *THE FIJI TIMES* in English  
24 Jun 88 p 2

[Text] The Secretary of the Fiji Law Society, Subhash Parshotam, and USP lecturer Dr Som Prakash, were still being held for questioning at army barracks at 8 pm last night.

Also being held at army barracks last night are two directors of the RB Patel company, Jayanti Lal Patel and Surendra Patel.

They are among the 10 people who were arrested on Wednesday by the Fiji Military Forces.

Of the others, New Zealand lawyer Christopher Harder, Suva lawyer Tevita Fa, two Ministry of Finance accountants—chief accountant, Abhyas Narayan and principal accountant, PC Sharma—were released yesterday.

Mr Harder, who was taken from his hotel room at the Suva Travelodge on Wednesday, is being deported to New Zealand. He is expected to leave tomorrow.

A clerk from Mr Parshotam's office, also taken on Wednesday night, was released about midnight the same day.

And a Mr Dinesh Prakash was released yesterday as well. The FMF could not provide further details on Mr Prakash's identity.

Mr Parshotam was taken from his home on Wednesday night. Army spokesman Captain Eroni Volavola said the detentions were in connection with the arms investigations.

Dr Prakash was taken from the university while he was supervising examinations.

The university was told yesterday Dr Prakash may be held over the weekend.

Meanwhile the USP Staff Association yesterday expressed concern at the circumstances in which Dr Prakash was taken into custody.

In a statement issued yesterday, the association said it was worried that Dr Prakash's arrest came at a time when the students were sitting end-of-year exams, and papers had to be marked, grades computed and submitted within reasonable time.

It requested Dr Prakash's release as soon as possible so that he could resume his duties at USP.

Captain Volavola said all detainees were at the army barracks and no visitors were allowed.

Captain Volavola said the security forces had also reintroduced the "black list" which had names of people barred from leaving the country.

He said the move was part of internal security.

THE FIJI TIMES understands Coalition Minister Ahmed Bhamji was stopped from leaving the country on Sunday and his passport was seized.

Coalition supporter, Lautoka lawyer Bhupendra Patel, was stopped from leaving about two weeks ago and his passport seized.

Mr Patel was told he could not leave until the arms investigations had been completed.

And Coalition candidate in the 1987 elections, Kavakini Navuso, had his home raided by the army at 4am yesterday.

/06662

**Paper Reports on Increase in Government's Expected Revenue**  
*42000417a Suva THE FIJI TIMES in English*  
*29 Jun 88 p 3*

[Article by Asha Lakhan]

[Text] With a general improvement in the economy, the government's expected revenue for this year had increased by \$49 million, the Minister of Finance, Mr Josevata Kamikamica, said yesterday.

The resumption of aid to Fiji had increased capital funds from \$6.4 million to \$18 million.

And the minister termed as "pleasing news" United Nations decision to start paying off to Fiji its long outstanding UNIFIL contribution of \$20 million.

A sum of U.S.\$2,534,500 has already been transferred to the Fiji Reserve Bank account with the Reserve Bank of New York, Mr Kamikamica said.

Announcing the mini-budget yesterday, the minister said the government fiscal policy was being dictated by the continuing concern on indebtedness and the consequent debt service burden.

The level of debt service burden had risen to a point close to 20 percent of the government's annual revenue compared to an average of 8 percent in the early eighties.

The mini-budget was therefore based on the need to retain the overall deficit at \$119 million.

The government intends to set up a fiscal review committee which will look at the overall level of government expenditure commitments, the need for further privatisation of public bodies and the role of the Army's Auxiliary Unit.

Mr Kamikamica said sugar production was expected to improve from a forecast 350,000 tonnes to 400,000 tonnes with earnings to increase from \$168.4 million to \$204.4 million.

Earnings from gold, timber, fish, and other non-traditional domestic exports were expected to increase by \$28 million from \$37 million forecast earlier to \$65 million.

Garment exports were now expected to bring in \$15 million compared to the \$8.8 million last year.

On the external trade position, an overall balance of payment surplus of \$53 million was expected, largely a result of improvements in the trade balance and foreign aid receipts.

Foreign exchange reserves continued at a high level standing at \$242 million on 21 June. Reserves are expected to peak at \$260 million by the end of 1988.

The tourist industry had shown recovery and on the investment front, the Electronic Industrial Enterprises Corporation of Japan, the new owners of the Regent of Fiji, were looking at other investment possibilities, Mr Kamikamica said.

The financial position of the Fiji Development Bank had improved. For the year ending June 1988, the bank would have approved loans with \$15.7 million.

Of this \$5.2 million went to the agricultural and fisheries sector and \$8 million to the industrial and commercial sectors.

A sum of \$1.2 million was to be under the industrial and commercial loans to the Fijians scheme and \$1.3 million under the joint venture loans scheme.

This year the bank hopes to lend \$26 million.

Employment during the first quarter of the year seemed to have recovered from the severe decline experienced in December, the minister said.

He hoped further growth in employment would result from measures already put in place to revitalise the economy.

A sum of \$500,000 had been allocated for youth programmes to help combat unemployment.

On privatisation, Mr Kamikamica said the government was looking at getting World Bank consultants to undertake a study on privatisation of the Posts and Telecommunications Department.

The government will also have studies carried out this year reviewing the financial viability of the Housing Authority, agricultural policies and programmes, developments in the transport sector and education and health policies and programmes.

The World Bank will also prepare a full economic report on the country recommending different policies and strategies to the government.

As a move towards enhancing recovery and promoting growth the government is negotiating loans with the Asian Development Bank for agricultural diversification and road maintenance works, and with France for the supply and provision of equipment for the Civil Aviation Authority of Fiji, the Fiji Sugar Corporation, P & T, as well as training for Air Pacific.

/9604

**Editorial on Government Budget**  
42000417b Suva *THE FIJI TIMES* in English  
29 Jun 88 p 6

[Text] Whenever any government releases a budget, the wide range of issues covered require careful consideration before comment can be made.

But the ordinary man-in-the-street always has the same question: "What's in it for me?"

The Mini Budget announced by the Minister of Finance, Mr Josevata Kamikamica, yesterday covers many matters vital to the Fiji economy and its continued recovery.

And, yes, there is something for the ordinary person. The wage freeze imposed earlier in the year has been partially lifted, allowing for a 6 percent increase in wages and salaries.

Civil servants will also have 6 percent of their 15 percent cut in pay restored.

The freeze on industrial and commercial rents has been lifted, while the freeze on residential rents remains.

The bulk of the Mini Budget requires greater study, and, of course, only time will tell how effective it will be. But the easing of frozen salaries will not only be popular, but also makes good sense.

Faced with climbing prices and difficult times, the Fiji wage-earner had been eyeing the gloomy prospect of having his pay packet remain the same and fail to keep up with the increases in the costs of supporting himself and his family.

He now at least has some relief.

It seems likely there will be a corresponding increase in spending and savings, thus helping to stimulate the cautious recovery which has begun.

For an economy that was stagnating and bleeding badly this time last year, Fiji has clearly made remarkable ground.

How well it can continue depends both on government policy and on the confidence of the rest of the world.

The Mini Budget, and the analysis delivered with it, indicates what appears to us to be generally sound economic thinking, and is cause for cautious optimism.

How the domestic and international business community views it remains to be seen.

But overall, the economic news, if not wonderful, does appear to at least be heartening.

/9604

**Parliament Speaker Receives Colombian Senators in 'Cordial Meeting'**

42000406c Jakarta ANTARA NEWS BULLETIN in English 30 Jun 88 p A6

[Text] Jakarta, 30 June (ANTARA)—Colombia is interested in promoting relations with Indonesia and hopes Indonesia will post an ambassador in Colombia's capital Bogota, according to visiting Colombian senators.

The senators, Gustavo Dajer Chadid and Guillermo Giraldo, revealed the willingness to step up relations with Indonesia when they were received by Indonesian Parliamentary Speaker Kharis Suhud here Wednesday.

During the cordial meeting, the parliamentary speaker and the guests discussed inter-parliamentary cooperation between the two countries and the exchange of visits by parliamentary members.

In response to the hope expressed by the two senators for the opening of the Indonesian embassy in Bogota, Kharis Suhud promised he will pass the message to the Indonesian Government.

Kharis Suhud voiced his hope for Colombia's support to Indonesia in its proposal to host the Non-Aligned Summit in 1989.

/12232

**ROK To Step Up Investments in Industrial Export Sector**

42000414 Jakarta ANTARA NEWS BULLETIN in English 14 Jun 88 pp A8, A9

[Text] Jakarta, June 14 (ANTARA)—South Korea, besides being prepared to boost economic and trade cooperation with Indonesia, is also willing to intensify its investments in Indonesia.

This was pointed out by the deputy for planning and promotion of the Capital Investment Coordinating Board (BKPM), Ir. Achmad Az, in an interview with ANTARA here on Monday after his meeting with the South Korean investment delegation, led by Hong Sung Jua.

Achmad Az said, South Korea is interested to invest in Indonesia, mainly in the industrial sector which is oriented to the export market.

The strengthening of the exchange rate of the South Korean won against the U.S. dollar in the international stock-market which has been the main cause of the diminishing competitiveness of the South Korean industrial products in the international market and which will eventually be worsened further by the revocation of the

GSP (Generalized System of Preferences) facilities to South Korea by the United States, has sped up the flow of capital investment of South Korea in Indonesia, Achmad AZ said.

The industrial sectors which the South Korean would-be investors are mostly interested in, are the shoe industry, the manufacture of sport equipment, the bicycle, motorcycle and motorcar tyre industry, the plastic industry and the leather industry, which are generally medium and small scale industries.

South Korean investment in Indonesia consists at present of 27 projects worth about U.S.\$300 million. They are mainly operating in the timber processing, steel, construction, sport shoe, mining, garment and chemical industries, Achmad Az said.

**Investment Climate**

Meanwhile the chairman of the South Korean investment mission, Hong Sung Jua, at the same occasion said, that the investment climate in Indonesia is at present favourable. Besides having natural resources in abundance, Indonesia's manpower is also relatively cheaper. South Korea will therefore increase its investment in Indonesia.

The revocation of the GSP facilities by the U.S. will indeed speed up South Korean investments in Indonesia, Hong Sung Jua said.

The South Korean investment delegation arrived in Indonesia on Saturday, June 11, and will be in Indonesia for six days to explore the possibility of enhancing its country's investment here.

/06662

**Minister Outlines Strategy To Cope With Population Boom**

42000402 Port Moresby POST-COURIER in English 17 Jun 88 p 14

[Article by James Dallmeyer]

[Text] Jakarta—The population of Indonesia, which already stands at 175 million, is expected to be more than double in the next 50 years, according to Population and Environment Minister Emil Salim.

Mr Salim said this week that if the government attained its goal of persuading families to limit the number of children to two by the end of the century, the population of PNG's giant neighbour should stabilise at around 368 million by the year 2040.

The minister said he was not unduly alarmed at the prospect of such a dramatic growth because the government had coped with an even more rapid population boom in the past 25 years, when numbers had increased from 70 million to 175 million.

"With improved technology and economic systems I think we can cope," he said.

If we can maintain economic growth above the population's rate of growth I think we can manage it".

He said his optimism was based on the fact that Indonesia had vast untapped natural and human resources and large tracts of land which were scarcely populated.

One of the major problems facing the Jakarta government is that Java, which accounts for less than seven percent of the Indonesia land mass, accommodates nearly two thirds of the population and is one of the most densely populated areas in the world, with 800 people per square kilometre.

Dr Salim said the government was moving away from the concept of transmigration, where families are given government sponsorship to move to less populated areas, to the creation of growth centres outside Java which would hopefully attract people voluntarily.

He said 35 million hectares of Indonesia's 114 million hectare rainforest had been earmarked for non-forest use—for plantations, rice production, human settlements and industrial zones.

A similar area would be set aside for selective logging, while the remainder would stay untouched to prevent harming Indonesia's water catchment areas, the minister said.

He said he believed the tropical forests would provide a "genetic revolution" in the next century because they were rich in plant and animal life that could be used for medicine, cosmetics and food.

Dr Salim predicted that after the agricultural and industrial revolutions of this century, Indonesia's two most important resources in the next century would prove to be the sea and genetics which had hardly been tapped.

The government was acutely aware of the importance of birth control and was concentrating on persuading the 40 million women of childbearing age to reduce their families from an average of four or five children to two in the next 12 years.

The government's family planning program had almost halved average family size in the past 20 years, he said.

The program, which operated at village level to teach woman about contraception, used a variety of incentives to induce them to go along with the government's aims.

"We use a lot of gimmicks. For instance, those who participate in the program get the privilege of joining credit schemes, or free coconut seeds, or preferred priority for clothing and education," Dr Salim said.

The government was united about the directions its policies should take and the overall strategy for coping with the population boom.

The bottom line of the strategy was simple.

"With one mouth also comes two hands and a brain, so the strategy is that the amount of rice you put in your mouth must be less than the output you create with your hands and brain," Dr Salim said.

The Indonesian government may have taken great strides towards unifying a culturally and racially diverse population, towards reaching self sufficiency in rice production and towards bringing stability in the country in the last 20 years.

But the challenges posed by its booming population mean there are still testing times ahead, as Dr Salim acknowledges.

"Its a bit like building a boat as you're sailing along. Let's just hope it's plain sailing," he said.

/9274

#### **Upindo Bank To Sell Bonds Worth 25 Billion Rupiah**

42000406b Jakarta ANTARA NEWS BULLETIN in English 29 Jun 88 p A6

[Text] Jakarta, 29 June (ANTARA)—Upindo a joint venture company between the Indonesian Bank and a Dutch company, is expected to sell bonds worth Rp25 billion through the Capital Market on Wednesday, Prof Barli Halim, chairman of the Capital Market Executive board (BAPEPAM), said here on Tuesday.

With Upindo, 25 companies have been registered selling shares and 6 others issuing bonds through the Capital Market.

Barli Halim said the Capital Market should be supported by at least 100 companies to increase the financial institution growth.

"Now, 30 companies have been selling shares and bonds through the Capital Market. If the state-owned companies, which number at 225, also take part in it, the target for 100 companies can be achieved," he said.

He said, however, that the state-owned companies are unlikely to sell their shares through the Capital Market but their bonds.

Until mid June, The Capital Market had collected Rp1.2 trillion of fund from the public.

Barli Halim said the figures are smaller compared to the public fund collected through deposits, which reached Rp16 trillion.

/12232

**UNHCR Aid to Northern Provinces**  
*BK0271038 Vientiane KPL in English*  
0902 GMT 2 Jul 88

[Text] Vientiane, July 2 (KPL)—1,000 tons of rice, the UN High Commissioner for Refugees' aid to some northern provinces affected by last year drought, have reached Laos. So far, 250 tons have been dispatched to Sayaboury Province and 200 others will be sent to the same province soon. Bokeo and Oudomsai Provinces will receive respectively 200 and 250 tons. As for as Luang Prabang and Xieng Khouang Provinces are concerned, they will get 100 tons each.

**GDR Red Cross Aid**  
*BK1507150288 Vientiane KPL in English*  
0914 GMT 15 Jul 88

[Text]—Vientiane, July 15 (KPL)—A consignment of aid from the GDR Red Cross consisting of medicines and medical equipment, worth more than U.S. \$90,000 was handed over to the Lao Red Cross here on July 14. Receiving the aid from Nobert Knuth, charge d'affaires

a.i. of the GDR Embassy in Laos, was Dr. Keo Phim-phachan, vice-president of the Lao Red Cross. The GDR Red Cross has, since 1975, given aid to Laos worth 1,500,000 GDR marks.

**Indian, FRG Gifts to Children**  
*BK0871049 Vientiane KPL in English*  
0904 GMT 8 Jul 88

[Text] Vientiane, July 8 (KPL)—The ambassador of the Republic of India, G.M. Jambholkar, yesterday handed over the third package of aid to Lao children. The aid was given on the occasion of the International Children's Day. The gift, worth U.S. \$1,500 was received by Phoumi Vongvichit, president of the Lao Commission for the International Year for the Child. Also, the charge d'affaires a.i. of the Federal Republic of Germany, Boris Paul handed over on July 6, similar aid to the Lao commission, worth more than U.S. \$8,800. The aid was received by Bounthavi Insisiangmai, head of the secretariat of the commission, with the presence of the Lao commission's President Phoumi Vongvichit.

**Unionist Criticized for Urging U.S. To Drop GSP for Country**

42050027B Kuala Lumpur *NANYANG SIANG PAU* in Chinese 6 Jun 88 p 2

[Editorial: "David Urges America to Revoke Trade Preferential Treatment"]

[Text] Prime Minister Datuk Sri Dr Mahathir yesterday reminded oppositionists that they have the right to criticize any administrative measure of the government but the criticism must not contain racist feelings, otherwise disturbances might ensue. Dr Mahathir indicated that opposition parties may play their rightful roles and put forth constructive opinions which can benefit the nation and which the government will gladly accept. He deplored that certain members of opposition parties have revealed their lack of allegiance to the nation through their activities.

In particular, the prime minister mentioned a labor union leader who recently supported and sought aid in urging certain foreign countries not to import Malaysia's products. According to a Bernama report with a Washington dateline, Malaysian Trade Union Congress [MTUC] Secretary General V. David, at an international labor seminar late last year, criticized the Malaysian government's inappropriate measures concerning human rights and labor affairs and urged the U.S. government to cancel the Generalized System of Preferences (GSP) it granted to Malaysian exports. Dr Mahathir asserted that such criticism not only shows disloyalty to our nation, but also may lead to losses to the country and the people.

In reply to a reporter's question, Mr David, who had just been released from the Kemunting Detention Camp, gave a vague answer, merely saying that he indeed criticized the Malaysian labor situation at the said symposium, but that he could not remember the details. According to the Malaysian News Agency, the AFL-CIO petitioned the Office of the U.S. Trade Representative (which handles the granting of preferential measures) to revoke its preferential treatment to Malaysian exports, pointing out David's comments and the fact that he was detained.

The GSP is reviewed once a year, and its tasks involve many departments and agencies of the U.S. government; it also openly lets nongovernmental organizations present their opinions. Currently when protectionism is running high in America, it is normal for the AFL-CIO to protect and lobby for labor's narrow interests. Moreover, while the GSP carries certain secondary conditions concerning the labor conditions of a recipient country, the U.S. government will hardly decide to revoke preferential treatment on the basis of labor conditions of the country concerned. In fact, this is the first time that Malaysia's conditions for receiving the GSP treatment has been opposed by other people.

In January this year, the United States decided to withdraw preferential treatment previously given to Southeast Asia's "four little dragons," a move with far-reaching repercussions. At the time, the reason given by the White House was that four countries/territories (Korea, Taiwan, Hong Kong and Singapore) have made such tremendous economic progress in the past decade that they now qualify as "New Industrialized Countries [NIC]" and are no longer qualified to receive preferential treatment. The criticism made by the AFL-CIO concerning labor conditions in Malaysia will be assessed by the labor specialist attached to the American Embassy here, and it is believed that he will find the criticism "groundless."

Two years ago, Malaysian products exported to America under the GSP amounted to M\$490 million and this year, due to the addition of 14 categories of commodities, the value has increased by more than M\$23 million. In recent years, some development experts have questioned the benefits to recipient countries of preferential treatment given by the US under the GSP; the World Bank even regarded this munificence as a "Faustian transaction," in which poor countries, in order to get limited and extremely risky benefits, must sacrifice equality during multilateral or bilateral negotiations. Malaysia is determined to rise and become a NIC, and at the present transition stage, she merely regards GSP treatment as "chicken ribs" too good to be thrown away.

The bottleneck is not whether Mr David's criticism can or cannot cause the withdrawal of GSP for Malaysia or whether his evaluation of the labor conditions in our country is accurate or not. The problem is that he has "specially and clearly" called on the AFL-CIO to exert pressure on the U.S. to withdraw its preferential treatment for Malaysia. Is it appropriate of him to do so? Leaving aside for the moment other implications, this secretary general of the MTUC apparently forgot that the moment the GSP is withdrawn for this country, Malaysia's workers would be hit the hardest. Can he justify his actions before the workers whose interests he claims to represent?

9300

**Petronas Exploration, Production Costs Reported**  
42000412 Kuala Lumpur *BUSINESS TIMES* in English 15 Jun 88 p 16

[Article by Khalid Jaafar]

[Text] Petronas is expected to spend \$2 billion annually from next year till 1992 to support oil exploration and production activities, vice-president Dr Abdul Aziz Mahmud said.

For this year, Petronas' production sharing contractors have budgeted for some 24 exploration wells to be drilled, more than double the number drilled last year, he added.



The national oil corporation expects its current contractors to drill some 30 wild cat and appraisal wells annually over the next four years, providing immense business opportunities for service companies in the oil and gas sector.

Presenting the keynote address at a two-day conference on current developments and opportunities for service companies of the oil and gas industry, Dr Abdul Aziz said this year alone Petronas will drill 109 wells at an estimated cost of \$650 million.

In the following four years, 352 development wells are planned, with total expenditure expected at \$1.8 billion.

Besides drilling activities, Petronas has also planned other major projects until 1990. They include:

—Development of new gas fields and construction of facilities to meet the additional gas needs of phase two of the Peninsular gas utilisation project. Although the estimate has yet to be finalised, Dr Abdul Aziz expects the total value of contracts to be awarded to be just under \$1 billion.

—Four oil fields in the Balingan Province, offshore Bintulu, are expected to be developed by Sarawak Shell and the oil drilling and production facilities; and pipeline gathering facilities required for the whole project are expected to cost almost \$1 billion.

—Esso Production Malaysia Inc (EPMI) is currently developing the Seligi field, which to date is the single largest oil field discovered in Malaysia's offshore area with recoverable reserves estimated at about 440 million barrels. Investment for the first platform is about \$480 million.

It is anticipated that seven or eight platforms will be required for this project. Of these, three are currently being installed; another three or four will be built at a later stage. This major oilfield is expected to go on-stream in December 1988.

Petronas and EPMI are now jointly developing the Dulang field on a unitised basis. The project, which includes the construction of production facilities and an offshore storage-cum-export terminal with capacity of 60,000 barrels a day, is expected to cost about \$1 billion.

—Several new satellite drilling platforms and gas lift facilities are planned for several existing oilfields offshore Sarawak and Sabah.

Dr Abdul Aziz said despite uncertainty in oil prices, Malaysia's oil industry is now witnessing a second exploration boom. The next five to six years from now will be unprecedented for Malaysia in terms of increased exploration activities.

At present, Petronas has 16 production sharing contracts in operation with 21 multinational companies from nine countries, among them companies from the Asia Pacific region (Japan, South Korea and Taiwan) and many of the best and biggest oil companies from the US, Canada and Europe.

In addition, there are at present 3,500 companies of various sizes involved directly and indirectly in Malaysia's petroleum industry.

This will ensure the best exploration efforts are used in Malaysia for the next four to five years and Petronas is optimistic of the outcome, Dr Abdul Aziz added.

He also noted the increasing participation of local companies in Petronas' contracts. Last year, they secured \$1.4 billion or 83 percent of all contracts awarded by Petronas. Until the end of March this year, they have already secured about 88 percent of the contracts awarded totalling \$356 million.

/06662

#### **MCA Youth Outlines Program To Resist Religious, Racial Extremism**

*42050027A Kuala Lumpur NANYANG SIANG PAU in Chinese 5 Jun 88 p 2*

[Excerpt] MCA Youth Leader Yap Pian Hon said his organization would keep playing the role of a more effective pressure group in resisting religious and racial extremism and promoting the nation's development and stability through vigorous and constructive action.

He spoke today at a symposium on "The Direction of MCA Youths" before members of the MCA and its Youth and Women's wings, in which he detailed the direction of the MCA Youth's political struggle.

Because of the unpredictable, changing political situation in our country, Datuk Yap said, the political struggle facing the Youth Wing has become more and more intense and acute, making it necessary for the latter to face the difficult challenges of the future with a fearless spirit.

"In order to reach the common objectives of our political struggle, the Youth Wing will combine action with the grassroots level to form an integral formation and then, collectively, adopt common steps contribute to the party and youth corps," Datuk Yap said.

The present MCA Youth Wing's direction for political struggle is as follows:

1. The MCA Youth Wing will in an all-around way uphold the constitution, safeguard fundamental rights, face challenges in full confidence, defend the rights and interests in political, economic, education, and cultural

fields as stipulated in the constitution, and move forward toward the big objectives of our political struggle for national and youth corps reconstruction.

2. The MCA Youth Wing will continue to play a more effective role as a pressure group in resisting religious and racial extremism and promoting the nation's development and stability through vigorous and constructive action.

3. The MCA Youth Wing will vigorously spur on youngsters to be concerned about politics, to take part in politics, and will train young leaders to become future leaders and successors.

4. The MCA Youth Wing will do its utmost to strengthen the cooperation and coordination between youngsters

living in the countryside and youth organizations, and to involved the main body of youngsters in the mainstream of national development.

5. The MCA Youth Wing will handle its own and national affairs in an efficient, collective, and systematic manner and, by pooling the wisdom and efforts of everyone, transform concepts into reality, and uphold the interests of the party and corps, and of the nation and the people.

6. The MCA Youth Wing will, in its capacity as pioneer of its parent party, stand at the forefront, defend MCA's political objectives and direction, and carry out the MCA leadership's program for a better tomorrow.

9300

**Australia Reaffirms Defense Commitment**

42000401 Port Moresby POST-COURIER in English  
21 Jun 88 p 2

[Text] Australia would be highly concerned, mainly for its own security reasons, if a hostile foreign power attacked PNG, High Commissioner Lance Joseph said in Lae.

Addressing the 16th graduation ceremony at Lae's Igam Barracks, Mr Joseph said PNG, by virtue of its geographical location, would always have importance in Australian strategic perceptions, making the relation between the two countries a very special one.

"One visible manifestation of Australia/PNG defence links is the large defence co-operation program we maintain in PNG," he said. "In recent years, that program has accounted for around half of the entire defence co-operation effort, costing each year close to K17 million."

Referring to the defence clause in the recently concluded Joint Declaration of Principles, he said the provisions covering mutual consultation in the event of a defence emergency were seen in Australia as "an important reaffirmation of Australian support for the security of PNG".

He noted that Australia had, since Independence, given much help to the Air Transport Squadron which has now been ordered by the Government to move out of its headquarters at the old Lae airport.

"It would be a disappointment if, despite this heavy investment, the new dispositions intended for the squadron were to undercut an operational capability that we have spent many years helping to ensure," Mr Joseph said.

/9274

**Cebu Governor Vows To Oppose 'Leftists,' Cites U.S. Bases, Other Issues**

42000408c Cebu City SUN STAR DAILY in English  
21 Jun 88 pp 6, 12

[Article by Cerge M. Remonde: "Sunny O Declares War vs. Leftists"]

[Text] The Senate is now the center of power of leftist groups in the Philippines, according to Sen John H. Osmena. He premised his statement on the way the Senate voted on the controversial issues of land reform, the anti-nuke bill, and the U.S. military bases in the Philippines.

Osmena was guest speaker during a joint meeting of the Cebu Chapter of the National Press Club and the Davao Press Club at a downtown hotel here.

Osmena, who is now on a nationwide tour to explain his vote against the anti-nuke bill and his proposed amendment to the Comprehensive Land Reform Program (CARP), said the Senate should be purged of leftist elements in 1992.

When pressed to name the leftists in the Senate, however, the Cebuano senator demurred by saying he is keeping their names "en pectore" in the hope that they will change their mind.

Osmena stressed that the 1992 campaign will center on the three main issues on land reform, the anti-nuke bill, and the U.S. military bases in the Philippines.

On CARP, Osmena said he is proposing to peg retention limits at 50 hectares per family. He said people who own 50 hectares of land in the Philippines are not the ones who are pictured to be the abusive landlords.

"They are the strength of the Philippine rural middle class. They are the "pater familias" for their extended families, he stressed.

According to Osmena, CARP is dangerous in the sense that it will destroy the rural middle class, raise the expectation of landless farmers, and therefore liable for exploitation by the communist insurgents.

Osmena questioned the allegations of CARP architect Sen Heherson Alvarez that the program will be the savior of the country. He said he asked Alvarez how many landless farmers are in the country today. And how many will benefit from CARP.

Alvarez reportedly said there are 9,000,000 landless farmers and 4,000,000 will benefit from CARP. The Cebuano senator asked what will happen to the 5,000,000. They will be a rich ground for communist recruitment, Osmena said.

On the anti-nuke bill, Osmena said he is against it because he wants to be practical. Osmena said the passage of the anti-nuke bill will render the American military bases in the country useless. "The bases will be like a gun without a bullet," he said.

Osmena said he is for the American military bases to stay here provided the U.S. government will increase its rental of the facilities. The increased rental will go a long way not in only sprucing up the domestic economy but in the payment of our huge foreign debt as well, he said.

Osmena ridiculed the anti-bases argument that the presence of the bases here will serve as a magnet for nuclear attack as based on an outdated Recto Doctrine. That doctrine, he said, was true only decades ago when the number of Soviet warheads were limited to selective targets. Now, he added, the Soviets have enough warheads to rain the whole world.

The speech of the Cebuano senator, which lasted for about an hour, was interrupted by vigorous applause at least 10 times. Perhaps, this is an indication of the popularity of his ideas. Another indication was that, that night Sonny Osmena was proclaimed by many Davao newsmen as the next President of the Philippines.

Sonny unabashedly said he is now starting the 1992 political campaign on the three issues on land reform, the anti-nuke bill, and the U.S. bases. That speech and how it was received in Davao that Sunday night could very well be it. Henceforth, Sonny will serve as the rallying figure for Philippine conservatives. From many indications, there seems to be a tide of conservatism now beginning to stir in the country.

Sen Osmena has clearly served notice that he has severed ties with the left. He said they were only good at the time of Marcos because they were efficient at destabilizing things. Now that Marcos is gone, Osmena asked why must we continue going to bed with the left.

Sen Osmena admitted that they have paid their political alliance with the left. He said that many leftists were appointed as OICs in the transition government. He further admitted that he had given so much room to leftist organizations like the Bayan and the KMU while OIC mayor of Cebu City.

Now, he said, he will campaign against them in 1992 even if he will not be a candidate.

Welcome home, Sonny!

/12232

**Aquino Receives Managua Envoy, Discusses Cooperation, LDC Dialogue**  
*42000407e Manila THE MANILA CHRONICLE in English 29 Jun 88 p 9*

[Text] Perhaps only diplomacy can make possible impossibilities like making friends with the enemy of one's friend.

Yesterday, President Aquino received in Malacanang the first ambassador to Manila of Marxist Nicaragua, Jorge Huezo.

The diplomatic initiative was considered a bold one for the Aquino Administration, as it was out of step with implied preferences of the U.S., the country's foremost political and economic ally.

Only this month, American Ambassador Nicholas Platt had openly rebuked Nicaragua as a country that "has not yet earned the honor of being called a democracy."

Nicaragua's Left-of-center Sandinista Government is waging a fierce war with U.S. Government-funded Contra rebels.

It was of no incident to Huezo, however, that Platt and the U.S. government may not be pleased with Nicaragua's diplomatic presence in Manila.

"Probably he's not happy that we're here but that's his problem," Huezo told reporters. "I don't have anything against him," referring to Platt.

A new envoy must normally comply with a norm; make the rounds of the diplomatic community in his new country of posting. Huezo, who is also Nicaragua's ambassador to Japan, had said earlier that he was open to a meeting with Platt.

"No problem," he said when reminded of this statement. "If he's willing to receive me, I'm willing to see him."

This early, Huezo said he and Mrs Aquino discussed "lots of possibilities of cooperation" between the two nations. Particularly, he said he proposed the promotion of South-South dialogue not only between Managua (Nicaragua's capital) and Manila, but also among developing nations.

For 40 minutes, Mrs Aquino conferred with Huezo, after he was accorded elaborate military honors for diplomats presenting their credentials to the President.

Aside from expressing his "happiness" at being named first Nicaraguan ambassador to the Philippines, Huezo said he also conveyed to Mrs Aquino Messages from Nicaraguan President Daniel Ortega and from the Sandinista National Assembly.

The revolution led by the Frente Sandinista Para Liberacion Nacional triumphed in Nicaragua in 1979, ending decades of authoritarian rule by two generations of the Somozas who were supported by the U.S.

Ortega, Huezo said, send his "personal regards" to Mrs Aquino, on top of an invitation for her to visit Managua.

"We hope that in the future, there could be possibilities for a visit by President Aquino to Nicaragua," Huezo said.

Huezo was cautious, however, when sought for his opinion on the American military bases in the Philippines. The issue, he said, was "a Filipino problem" that does not concern Nicaragua.

Soon, he said Nicaragua would probably open an office in Manila. For now, however, Huezo has been billeted at the Manila Hotel.

Nicaragua and the Philippines formally opened bilateral ties on 10 August 1973. But foreign Undersecretary Manuel Yan, who accompanied Huezo to the Palace, said it seemed like "we are only starting our relations now."

The rekindled friendship may not please another Philippine friend, the U.S., but Yan said: "They (Americans) cannot protest it."

/12232

**Public 'Disappointment' in PCGG Cited Pending Agency's Expiration**  
*42000407b Manila PHILIPPINE DAILY INQUIRER in English 29 Jun 88 p 4*

[Editorial: "Special Powers to End"]

[Text] Has the PCGG outlived its usefulness?

The question arises in relation to the approach of 2 August, the date when the PCGG's powers of sequestration expire as required by the Constitution. After 2 August, the powers of sequestration will revert to the courts. And the PCGG will have to submit to the judicial course and normal due process. However, the Constitution also allows the extension of the PCGG's special powers by Congress, as certified by the President.

But at this late date, Ms Aquino has not indicated any move to certify for the extension of the PCGG's sequestration powers, and that option is presumed foreclosed. Meantime bipartisan leaders in Congress have already said they would oppose such an action. At this point, the sentiment in the legislature is such as to consider even the outright abolition of the agency.

This trend in government reflects the public disappointment over the PCGG's performance. Because of the extraordinary nature and urgency of its mandate to pursue the ill-gotten wealth of Mr Marcos, his kinsmen and associates, the PCGG enjoyed immunity from suit as well as exemption from normal due process in its effort to recover the loot. So far the PCGG has listed P3.4 billion as recovered, but substantial amounts are in the form of receivables and expected proceeds from the sale of assets.

The record of the PCGG has been tainted with reports of abuse, and so far nothing has quite removed the stain of suspicion that certain commission officials have personally benefitted from their PCGG connection. Public doubts have also been raised to question the PCGG's judgment in negotiating settlements with the Marcos cronies. Unfortunately there has been a feeling that the PCGG has not been entirely transparent about the conditions of those settlements.

Perhaps the PCGG has failed to be completely honest about the obstacles that stand in its way and the limitations of what it can actually do. The lack of continuity in the leadership and membership of the commission has severely handicapped the efforts of recovery. In this context, the obvious efforts of the PCGG to polish up its image and drum up public support seems concerned only with a cosmetic coverup.

Unfortunately, the public feels that the problem with the PCGG has been the absence of political and moral will to set for itself the objectives that can be achieved and realized. If it has been genuinely hampered by certain realities, then these should have been publicly acknowledged. Maybe it should have clarified that the inability to deal with the return of Mr Marcos to face trial poses an insurmountable problem. But it has chosen instead to continue to set itself up as a credible bearer of recovery bounty.

It should have faced up to these and other realities a long time ago. The PCGG should not hold on to its special powers the way a mediocre show tries to hold an audience with special effects.

/12232

#### **Morales Analyzes Need for Agrarian Reform, Industrialization**

42000409 Manila THE MANILA CHRONICLE in English 28, 29 Jun 88

[Article by Horacio R. (Boy) Morales, president of the Philippine Rural Reconstruction Movement: "Agrarian Reform Should Be Tied to Industrialization"]

[28 Jun 88 p 5]

[Text] One of the most compelling argument for agrarian reform is the need to transform landlords into entrepreneurs and peasants into farmers.

A point much belabored but which cannot be overemphasized is the crucial role played by agrarian reform in creating the most favorable environment for industrialization. The recasting of agrarian structures is necessary for sustained industrial growth. By rechannelling into industry the flow of agricultural surpluses that otherwise would have been consumed by rents and luxury spending, land redistribution in favor of the actual producers activates the machinery by which capital formation is optimized.

On the other side of the coin, agrarian reform triggers the creation of a vibrant national market. Not only by correcting the highly skewed income distribution in a feudal-dominated economy (and thus beefing up the purchasing power of the rural majority) but also by substantially releasing them from a subsistence mold, agrarian reform primes up the economy for a critical industrial push. The second point that must be made is the reverse relationship: Only a comprehensive industrialization effort can protect and give momentum to a thoroughgoing agrarian reform. Needless to say, a land reform that is not complemented by a modicum of industrialization invites sure failure.

It is industrialization alone that can generate the low-priced, revolutionizing technology that can rev up the productivity of the peasants and boost their incomes and their capacity to translate greater productivity into higher incomes. When farming technology is wanting of a domestic industrial base and depends on imported farm inputs from Western monopoly firms, farmers become easy prey to a price squeeze that pulls down the selling price of their produce but pushes up their farming costs.

Apart from this, the prohibitive costs of post-harvest technology (including means of transport and storage) due to high-priced imported components and fuel, becomes a deterrent to their capacity to gain the most value from their harvest. When traders rather than producers monopolize high-priced technology, they are wont to offset through predatory pricing whatever gains accrue to the peasants from land transfer.

One of the essential prerequisites of industrialization, if it hopes to serve agrarian reform, is a scope comprehensive enough to make available the reasonably-priced farm inputs and capital goods required by more productive agricultural sector. Taiwan and Korea illustrate the key role that the development of a domestic fertilizer industry—as a part of the cutting edge of the industrialization drive—played in bolstering agrarian reform in these countries.

Taiwan and Korea undertook such a thrust at variance with the recommendations of foreign lending institutions.

Since the 1970s, the Philippine experience has underscored the underdevelopment of a farm capital goods industry. For instance, our country today is almost wholly reliant on imported urea—the chief source of nitrogen supplements from commercial fertilizers.

The declining use of imported commercial fertilizers and the return to traditional organic methods of soil enrichment attest to the lack of locally-produced, cost effective and competitively-priced farm inputs. It is instructive to scrutinize the Comprehensive Agrarian Reform Program from the vantage point of the industrial milieu in which it is supposed to take root. Whether or not the constricting effect of retention limits, exemptions and priorities renders inappropriate the label "comprehensive," the launching of an agrarian reform that at least promises to be comprehensive together with an industrial policy that places the least emphasis on comprehensive development is as pathetic as it is a graphic indicator of our underdevelopment. Highlighting this irony in Philippine realities is the fact that while exorbitantly-priced urea and other fertilizers are imported from the U.S. and Japan, Philippine guano is exported to the two countries at extremely cheap prices.

[29 Sep 88 p 5]

[Text] If the Philippines hopes to attain any measure of success in transforming landlords into entrepreneurs and peasants into farmers, industrial investment by landlords must break out of its present narrow confines and establish new ground to encompass the diversity of industrial production, at present monopolized by the metropolitan countries of the West and Japan.

Before such a policy is equated with the "import substitution" of old, it should be stressed that the comprehensive industrialization I am referring to differs decisively in two respects from the program implemented in the 1950s.

First, the systematic development of various lines of industry, heavy and light, can be expected to steer the economy away from hefty reliance on high-cost imported materials, components and fuel. While the peasants-turned-farmers can shoulder the tasks of supplying industry and competitively-priced raw materials such as cotton, soybeans, corn and wheat, landlords-turned-entrepreneurs can be expected to contribute their share in other facets of the economy.

Second, a comprehensive industrialization will be designed to enjoy the back-up of an agrarian reform that effectively relegates to history the long-standing feudal structures besetting Philippine society. It shall develop a vibrant national market that the infant industries of the '50s did not enjoy. Nor shall the economy have to resort to export markets, as in the export-industrialization strategy adopted in the 1960s.

The operative question before us is this: Will the government muster the political will to formulate a comprehensive industrialization policy that will reinforce an genuinely comprehensive agrarian reform and, granting that government does veer away from its present acquiescence to the impositions of the foreign banks, will foreign vested interests allow such a development?

On the strength of the country's gargantuan foreign debt, the World Bank, the International Monetary Fund and the more than 400 private foreign commercial banks have prescribed for the Philippines a reemphasis on its traditional role of a primary-product supplier, thus laying to rest hopes that the country would go the way of industrial Taiwan and South Korea.

The reaction of transnational drug corporations to the Senate bill on generic drugs, including the not-so-subtle reminder that President Aquino's government has anchored its economic recovery on attracting foreign investors and that such a move would repel foreign investors, illustrates the kind of obstacles confronting industrialization.

The U.S. government's decision last month to dispense with certain tariff privileges granted to Taiwan and South Korean under the Generalized System of Preferences, demonstrates that the American big business community does not intend to pursue its earlier policy of subsidizing the industrialization of certain Asian states based on geopolitical factor.

American policymakers have decided it can no longer absorb the goods produced in Asia under the export-industrialization strategy as it has done in the past 25 years or so. The window of opportunity opened to what are now the NICs and through which the Philippines government has sought to enter is now finally being closed. This should all the more strengthen the case for a comprehensive industrialization strategy not strapped to the vicissitudes of Western economies and the policy decisions of their business elites, but solidly grounded on vigorous internal markets and our own national initiatives.

The third point that must be made is that transformation of peasants into farmers necessarily entails their effective empowerment. Without a comprehensive industrialization that guarantees competitively-determined prices of farm capital goods and without the substantial transfer to farmers and rural workers of the capacity to assert and realize their right to technology and marketing systems beneficial to them, the peasants will never become the effective farmers of their lands.

While the transfer of land to either individual or collective ownership of the farmers upholds social justice and the productive advantages of a land-to-the-tiller policy, it is in the context of comprehensive industrialization that the collective and land transfer holds certain fundamental advantages over individual land transfer.

Cooperative land ownership shall not only facilitate the large-scale labor operations characteristic of industry but also encourage farmers engaged in industrial cooperatives, in the substantial processing of their farm products. I refer to cooperatives as land and enterprises collectively owned by the direct producers who exercise effective control and decisionmaking powers over the policies that govern their operations.

Cooperative land ownership and management shall give impetus to the policy that industrialization ought to serve not only as a support system for agrarian reform and a consumer of the agricultural surplus derived from it, but that industrialization likewise organically develop among the farmers and rural workers.

The corporate sharing provision in Carp that authorizes distribution of stocks as a substitute for land distribution, I fear, institutionalizes, the retention of control over the land by a corporate elite and the continued disempowerment of a large number of rural producers.

This is especially disturbing because it is in the big landed estates and haciendas where corporate control is practiced and it is their owners who have been the traditional captains of the underdeveloped, constricted and high-priced, import-dependent type of industrialization prevailing in our economy. This landed elite has historically constituted the local distributors of costly foreign technology and is highly unlikely to take on the role of agents of comprehensive industrial change.

The inadequacies in Carp and the persistent stumbling blocks to a comprehensive agrarian reform and industrialization should nonetheless induce in us neither apathy nor inaction, but a continuing challenge to move mountains and achieve a fundamental break with our underdevelopment.

/12232

**Pope Advises Aquino Heed Encyclical on Social Concern in Tackling National Issues**  
42000407f Manila THE MANILA CHRONICLE in English 30 Jun 88 p 5

[Article by Denis Murphy: "Pope Advises Cory Not To Rely on Military Solutions"]

[Text] Pope John Paul II's remarks to heads of state during their formal visits to the Vatican are often so bland they are no more meaningful than a handshake. That wasn't so when he met President Corason Aquino 18 June. His message to her might in a very broad sense be described as a friend's evaluation of her program of government.

He advised her to seek negotiated solutions for the country's major problems. The problems included according to observers, Muslim autonomy and the communist insurgency. The Pope apparently believes she has relied too exclusively in the recent past on military solutions.

The Pope was not seeking a specific action such as another ceasefire. Rather he was urging her not to give up too soon on peaceful approaches to her problems.

He asked Mrs Aquino to work for more popular participation in decisionmaking and for economic equality.

The Pope said, on the other hand, that Philippine culture, which has been so abused recently by local and foreign critics, is remarkably congenial to and in harmony with the social teaching of the Church.

He said her land reform program was a step toward greater economic equality. It was cautious approval, far from the enthusiastic praise the program got from government officials here. He also advised her to keep alive her concern for human rights and family life.

In suggesting negotiations, the Pope was applying to the Philippine situation the teaching on Third World violence found in his latest encyclical, "On Social Concern."

The encyclical teaches that the East-West superpower conflict has been exported to the developing countries, and that local wars are often only proxy wars of the superpowers. These wars stifle economic development and make poor countries more dependent on the superpowers.

This isn't exactly the case in the Philippines since the NPA is without a clear foreign sponsor, but still the question persists, whose interests are advanced in the counterinsurgency war? The Pope is convinced the superpowers get most benefits.

Mrs Aquino in turn presented to the Pope her program or philosophy of government. She had been advised to make it clear to him and the world that she stood half-way between liberal capitalism and communist statism, a position favored by the Vatican.

she didn't quite make this point clear, observers say. Her remarks gave the impression she leans more to the right than the center. She seemed, for example, to select deliberately ambiguous or colorless language when she talks of human rights and justice.

The heart of the encyclical is the assertion that greed for money and an overweening desire for power are the sins at the heart of the world's problems. But, the Pope says, there are resources in Philippine culture to combat these.



He said to Mrs Aquino: "In your tradition there exists a spontaneous sense of certain aspects which I underlined in my recent encyclical on the Church's social doctrine—the centrality of the human person in every process of development, and the need for a constant overcoming of the moral obstacles to development, obstacles such as an unbridled desire for profit or power, which is diametrically opposed to the Gospel's invitation to "lose oneself" for the sake of the other instead of exploiting him, and to 'serve him' instead of opposing him for one's own advantage."

He said Filipinos possess "pagkakaisa" (solidarity) and "bayanihan" (mutual help) qualities which can contribute to promoting social justice and ensure that each person's dignity and rights are respected and defended.

If the Pope's words were in fact an evaluation, the grading might be: "Good or fair in general, but don't lose sight of the usefulness of peaceful negotiation, of human dignity, economic equality and popular participation in government. These values can be easily lost in today's world."

/12232

#### **WE FORUM Columnist Hits Aquino Vatican Visit, Reform Deception**

42000407g *Quezon City WE FORUM in English*  
27 Jun-3 Jul 88 p 8

[Article by Placido P. Diaz: "Policy of Deception"]

[Text] In our present state of affairs, we cannot help but conclude that politics is indeed the most pernicious foe of religion. Not only because politics divides while religion unites. More so because politicians cannot succeed except by deceit and conceit. In this context, President Aquino's trip to Europe is an irreligious act even if it includes a pilgrimage to Rome.

She was so frustrated when she failed to make it to the canonization rites of Lorenzo Ruiz, a reason why the Gringo's misadventurism is unpardonable. But now, she had indulged herself anyway. Well, she promised to be the exact opposite of Marcos: Ferdinand, that is, not Imelda. So, Satan has succeeded in leading another Eve astray, by playing on woman's vanity.

Our salvation will not come from Europe, much less from Rome. On the contrary, much of the leaden weight tied around our necks dragging us to perdition has been forged by the Spaniards with the blessing of the Roman Pontiff. The rest of our chains can be traced to the Treaty of Paris where we were sold by Spain to America, with the Pope's seal authenticating our unjust bondage.

So, as our Lady President kneels like a vassal before the Pope, may it be a blessing in disguise, ripping off the blinders from our eyes enabling us to see beyond the policy of deception which has so far effectively blocked

most of us Filipinos from recognizing reality and winnowing it from the propaganda and advertising hype to which we are constantly exposed and vulnerable.

The fiction is that she and the government she heads has been working for our welfare. The trust is the good of the ilustrado and moneyed class is foremost, the common good can wait till kingdom come. My benefit first, the people can pick up the left-over. This is what is called a restored democracy. Where the senators and representatives are unanimous only in legislating fantastic salaries and allowances for themselves but cancel each other's efforts out when the common good is concerned as in the case of CARP.

The myth of the judiciary's integrity has been blown by Mr Ramon Tulfo's revelation of the 10 thousand peso judge and the Supreme Court's actuations regarding Mr Tanodbayan Raul Gonzalez. Those with money and influence get all the protection. Those without money, "kumapit na sa patalim." But everything has an end, as the Marcoses have discovered to their chagrin. When the veil of deception will be lifted, only we Filipinos can decide. For God can only help those who help themselves. And only those who persevere until the end fighting injustice and oppression will be saved.

/12232

#### **Columnist Views Both Houses of Congress at Session's End**

42000403g *Manila PHILIPPINES DAILY INQUIRER in English* 12 Jun 88 p 4

[Article by Ninez Cacho-Olivares in the "Pinch of Salt" column: "Time Will Tell"]

[Text] Congress' first regular sessions has come and gone, and leaders of both houses claim that Congress "has done its collective best to enact legislative measures" designed to promote the welfare of the people and hasten the country's economic recovery.

Senate President Jovito Salonga and House Speaker Ramon Mitra view the passage of the CARP law as Congress' most outstanding accomplishment.

That the Congress, in its first regular session, accomplished some good things cannot be denied. CARP is not the greatest law that has been enacted by Congress. It is not radical enough to effect the desired changes in the political and economic landscape. Moreover, Congress failed to include implementing details in the bill that would have ensured at least the partial success of an agrarian reform program. Still, it is an improvement—albeit slight—of other agrarian reform laws enacted by past Congresses.

Congress has also accomplished silly things, such as renaming the Manila International Airport to the Ninoy Aquino International Airport; passing a bloated national

budget without batting a congressional eyelash, and generally shelving more important bills like the anti-dynasty and the "no-nukes."

Perception-wise, it is the Senate that has earned a lot of points with the public. In the main, the Senate has displayed good and effective leadership qualities. And it has come up with bills that, if enacted into law, could usher in the reforms called for in the Constitution. It is also generally perceived as a body which has displayed independence of mind and spirit.

The House of Representatives, on the other hand, has earned for itself a negative public image, mainly because it is seen as a house filled with members who have too many vested interests to protect; because of the bonuses it granted to its members, the P10-million pork barrel allocation for each member, and the congressional gun plan. It is also seen by many as a body that is subservient to the executive power.

That the members of the lower chamber were lowly regarded by the chief Executive was made evident when, during a quarrel between congressmen and Cabinet officials, Mrs Aquino took the side of her department secretaries and pronounced, for all to hear, that her Cabinet officials must first serve the people, before attending to the needs of the congressmen. Only a whimper was heard from the halls of Congress.

If the Lower House wants to alter its negative public image in the coming months, the leadership must start cultivating an image of independence. It should take great care not to be perceived by the public as bowing to the whims of the executive; as passively accepting insults hurled at it by the Executive Branch; as being too parochial in its legislative outlook; and as safeguarding the interests of the elite in society.

The Senate did well in establishing a positive public image. Its version of the CARP bill was not that great either, but placed alongside the Lower House's version, it was viewed as a pro-farmer, instead of a pro-landlord measure. Then too, the fact that the Senate President, along with the president pro tempore and the majority floor leader, campaigned against presidential relatives on an anti-dynasty issue in the last elections, helped enhance the perception that the Senate was indeed independent of the executive branch.

Recently, however, the Senate almost destroyed that independent image when Messrs Pimentel and Salonga bowed to the wish of Mrs Aquino and her Cabinet to defer action on the bill that would disallow department secretaries and their assistants from holding multiple posts and earning additional, double and indirect compensation, both of which are banned by the Constitution. Perhaps realizing that such subservient obeisance to the Executive Branch would destroy the Senate's carefully cultivated image, senators reportedly vowed to go full blast on this when the second session begins.

In the next session, an overbloated national budget which the nation certainly cannot afford, will again be presented to Congress. Other bills of national importance must no longer be shelved by Congress. It is hoped that unlike the first session, Congress will act on them without fear or favor.

The Filipino people have already been screwed once too often, both by the Executive and Legislative Branches.

/9274

### **Raid Against Legal PKP Called 'Intolerance' at Highest Levels of Government**

42000407a Quezon City MALAYA in English  
28 Jun 88 p 4

[Editorial: "PKP and Police Ignorance"]

[Text] Abysmal police ignorance of who and what constitute threats to public order and national security is exhibited once again in the arrest the other day of seven suspected members of the Partido Komunista ng Pilipinas.

The PKP has been an above-ground organization since 1974, when its leadership surrendered to then President Marcos. It is a registered political party and even fielded candidates in the last local elections in some places in Bulacan and Pampanga.

It probably is a cause for amusement among the younger communists, who broke away from the PKP in 1968 to organize the rebel Communist Party of the Philippines, that the PKP "revisionists" who had not been touched during the dictatorial regime of Marcos are now finding themselves hauled to court for inciting to rebellion and sedition under an administration that claims to respect political pluralism.

The "evidence" produced by the police team that raided the PKP "hideout" was pathetic—volumes of Lenin, discussion papers for PKP members, streamers calling for reduction in foreign debt payments and a photographic enlarger. To compound their ignorance, the raiders claimed Felicisimo Macapagal, PKP secretary-general, eluded their dragnet, apparently not knowing that Macapagal is not in hiding and that his whereabouts have been known all along to military officials in Nueva Ecija and Pampanga.

It is easy to dismiss the incident as another reflection of the Keystone Kops mentality of the police. We fear, however, that their recent actions are expressions of a prevailing climate of intolerance to dissent that reaches the highest level of government. The metropolitan police are arresting student activists en masse and military-backed vigilantes are summarily executing human rights leaders in the countryside—all indications of a return to state-sanctioned terror of the past.

In the face of all this, the highest officials of the land maintain straight-faced that the government remains a champion of the rule of the law and respect for human rights. It is no wonder then that the law enforcers below believe they can continue riding roughshod over the rights of the citizenry and not be held accountable for their brutish behavior.

At the rate President Aquino is coddling her policemen and soldiers, the possibility is not farfetched that she might even hand out medals to the policemen who participated in last week's raid.

/12232

### **Anticommunist Group Complains of Problems in Issuance of Mission Orders**

42000408b Cebu City SUN STAR DAILY in English  
17 Jun 88 pp 4, 19

[Text] Anticommunist groups affiliated with the Federation of Anticommunist Movements (FACOM) are scheduled to meet Recom 7 Chief Brig Gen Mariano Baccay Jr next week to thresh out among others the problem regarding the issuance of mission orders (MOs).

Facom Secretary-General Arthur Tariman told SUN STAR DAILY yesterday Facom had sent Baccay a letter dated 8 June requesting for a dialog to thresh out the problem of what he described as "the uneven implementation of the policy in issuing mission orders."

In related developments:

—Tariman said there appears to be a "mission order syndrome" within the anti-communist groups that has led to "rivalry and piracy" among members and has produced factionalism among these ideological allies.

—While the Visayas Command (Viscom) is "strict" in the issuance of MOs, other independent intelligence units have allegedly been issuing MOs to some anti-communist members not affiliated with Facom. These anti-communist members are being issued MOs even if they are not licensed gunholders, Tariman further said.

—Facom does not object to the strict rules in issuing MOs but calls for a "uniform and considerate policy" especially to civilian volunteers who have long been acting as military assets and guides in counter-insurgency operations but were recently denied MOs, said Tariman.

—Tariman emphasized that Facom is more concerned in obtaining MOs for its "frontline members" who are actively participating in the counter-insurgency efforts for security reasons.

### **No Dialog**

—Some Facom-affiliated members have already started withholding information on alleged communist activities to the Viscom intelligence division.

Facom members lamented the fact that Viscom Chief Brig Gen Jesus Hermosa, upon his assumption into office, has failed to hold a dialog with the anticommunist groups on the military's new policies, if any, regarding the sector.

Meanwhile, Baccay had acceded to the request but Tariman said he (Tariman) will disclose the date of the dialog soon.

Baccay was not available for an interview with news reporters covering the defense beat because of an important conference with his staff yesterday.

Meanwhile, in clarifying claims that the military has "an uneven implementation of issuing mission orders" Tariman noted that Viscom is "strict" in issuing MOs.

### **Denied MOs**

Civilian volunteers who have acted as assets and/or guides in the military's counter-insurgency campaign especially during the past administration of the defunct Regional Unified Command (RUC) (forerunner of the Viscom) have been denied MOs.

Viscom spokesman Lt Col Jose Ayap could not be reached for comment yesterday.

Under the new policy, MOs should only be issued to holders of firearms with original makes, said Tariman. (In other words, holders of "Paltik" guns will not be issued MOs).

(Earlier, Ayap indicated that MOs are issued only to licensed gunholders.)

Tariman added that since anticommunist members cannot afford to possess an original firearm, it has been observed that most of those issued with MOs are Chinese businessmen.

### **Rivalry**

At the same time, the Facom secretary general said the "uneven policy" in the issuance of MOs has spawned rivalry among members of the anticommunist groups, particularly between Facom and Alsa Masa members.

Alsa Masa members can easily obtain MOs "even if some of its members are not licensed gunholders," said Tariman.

The military's alleged discrimination in issuing MOs has prompted some Facom members to yield to the recruitment efforts of the Alsa Masa.

However, no specific figures of statistics were given by Tariman.

However, he said Facom has discouraged its members to join the group just to possess a firearm since the group also adheres to the administration's policy of controlling firearms.

/12232

**Columnist Sees Vigilantism as Threat to Nation**  
42000407c Manila *THE MANILA CHRONICLE* in  
English 28 Jun 88 pp 4,5

[Article by Hernando J. Abaya, from 'My Lonely Chair' column: "Vigilantism Has Taken Bizarre Developments"]

[Excerpt] Cory Aquino must rue the day she commended Alsa Masa for had she known the rabid nature of its members fanaticism, she surely would have admonished its leaders and ordered its immediate disbandment in keeping with her announced policy of dismantling the monumental edifice of corruption and plunder left behind by the Marcos regime.

As it is, Alsa Masa not only has not been disbanded, it has been allowed to develop into a potentially dangerous force which, with military support, now virtually rules the Davao countryside.

In Davao city, according to Mary Concepcion Bautista, chairman of the Commission on Human Rights, support for Alma Masa "is overwhelming," and even Archbishop Antonio Mabutas "recognizes" the fanatical sect's service to the community.

Yet, here is an organization that thrives best on ignorance, superstition and a fanatical belief in the righteousness of its "God-given cause."

By definition, according to an Alsa Masa high priest, Edmund Enrile Pamintuan (alias Kumander Lahi), a communist can be identified "when the oil in the bottles wrapped around their (sect members) waist boils."

Perhaps even more sinister, because of its political implications, a communist, said Lahi, is one "who did not denounce Local Government Secretary Ferrer's death but denounced Lean Alejandro's death (CHRONICLE 21 June 1988).

Military intelligence may not go along with the sect's voodoo definition of what a communist is, but the second definition fits into the military's own narrow definition as evidenced by its standard practice of tagging most cause-oriented groups as fronts of the CPP-NDF-NPA.

One case that has come to my attention shows how easily a citizen, even under the present popular dispensation, may be deprived of his or her civil rights on the flimsiest grounds.

This concerns a University of the Philippines alumna who became a member of a now active cause-oriented group when she was still a student at the Philippine Science High School. She has long since dropped out of the organization to devote her time to her career as a psychologist.

Much to her disappointment and disgust, a big corporation in which the government has effective control, refused to employ her, after she had been properly interviewed and assured that she would get the job, because the NBI could not give her a clearance. (Requiring an NBI clearance was a practice adopted by business establishments, ostensibly for security reasons, during the Marcos administration. It is ironic that it should continue even under the liberal Aquino Administration.)

The reason given was her membership 15 years ago in what had been, initially an activist group composed mostly of PSHS students that had participated in anti-Marcos demonstrations. The group is now a cause-oriented organization which the military has black-listed as a communist front.

This young professional finds herself denied her right to a job, the fundamental right of any citizen to earn a living. With this NBI ban, she surely would also be denied her right to travel since an NBI clearance is a must before one can travel.

(Many years back, my son had to get an NBI clearance before the Securities and Exchange Commission would issue a permit for a corporation he and two associates wanted to register. The NBI had a dossier describing him as a member of the Kabataang Makabayan, when he was a UP student 10 years before KM was even organized.)

The CHRONICLE Davao reporter had other intriguing details concerning what the Alsa Masa has become and what might be expected of its self-righteous leaders and followers in the current anticommunist offensive by the military, its paramilitary units like Alsa Masa and its Cold Warriors.

Kumander Lahi is the founder of the Philippine-USA Territory Movement which is composed of bold-wielding fanatics who claim to be "God-centered."

Followers wear white shirts with an American flag and the words "Long Live America, the Mother of Democracy." Printed over the stripes is a smaller Philippine flag.

Lahi is scheduled to leave next month for a 1-month visit to the U.S. He declined to disclose who invited him, but added "isang foundation."

Another Alsa Masa spokesman, Rex Sardinia, was to leave this month for the states to seek funding from an unnamed American foundation. He will stay in Florida for 3 months, then go to Australia and return to the U.S. for another 3 months' visit, this time in Washington.

Sardinia was invited by the International Council of Christian Churches.

(Why some private U.S. foundations should fund leaders of Alsa Masa raises questions as to their motive. It is significant that Alsa Masa's founder and "godfather," AFP Lt Col Franco Caliga, is CIA-trained veteran of clandestine operations in Vietnam centered on assassinations and sabotage.)

Lahi's movement goes also by the name American Democratic Army Mercenaries (sic!) Integrated Command, a faction of which is called "Rainbow Brigade of Tadtads." He claims the movement has 300,000 members (his own version of the mercenary Contras fighting to oust Nicaragua's Sandinista government).

"Our independence," Lahi told the CHRONICLE "originated from America so it is only right that we protect their bases here."

Is it possible that the Aquino Government is not aware of this bizarre and patently dangerous development insofar as the vigilantes, the Alsa Masa in particular are concerned?

That is a threat this newly restored democracy dares ignore, only at its own peril.

/12232

### **Alsa Masa's Pala Discusses Shift From Right in Crusade**

4200408a Quezon City WE FORUM in English  
27 Jun-3 Jul 88 p 7

[Article by Isagani Zarate]

[Text] Davao City—Anti-communist propaganda over this city's airwaves have taken a dramatic twist in the past days as the city's most popular anti-communist commentator began calling for the removal of the United States military bases and other American interests in the country.

Juan "Jun" Porras Pala, 34, erstwhile guru of the home-grown vigilante group Alsa Masa, and now popularizing an "independent" social democracy thought, surprised many when he ceased anti-communist tirades and instead turned his "ire" on what he called "stupid American imperialists."

At the same time, Pala, founder of the 200,000 card-bearing Contra Force vigilante group, explained that while he is now propagating anti-American sentiments, he still maintains his anti-Maoist stance, referring to the alleged "control of the Chinese in the country's economic and political life."

In a recent interview with newsmen at his headquarters at radio station DXOW, Pala said he is shifting from the "rightist" ideology to a "left-of-center" position to prove to the rebels that he is not a "CIA (central intelligence Agency)—supported anti-communist crusader."

"What I hated most was when my detractors called me a CIA man. It wasn't true, not even a tip of their (CIA) dollar reached my hands," Pala declared.

However, the "Contra" chief said what prompted him most to attack the Americans is the "seeming indifference" of the local director of the United States Information Service (USIS) here to his cause.

Pala said he earlier approached USIS Director Larry Schwartz asking help for a planned U.S. trip to raise funds for the local anti-communist movement.

The USIS director, Pala claimed, refused to extend help, reportedly saying that he (Schwartz) does not want to be identified with the "anti-communists nor with the communists."

"They (the U.S.) want to be neutral, but why are they intervening in the affairs of Nicaragua, Vietnam and Afghanistan," Pala charged. He advised the Americans that "if they want to be neutral then they can go home." Fumed Pala: "They have no business staying here."

After that meeting with the USIS director, Pala said he "immediately cast away his rightist thought and changed the caption of his daily program from "Anti-communist crusade" to "Social democracy crusade," attacking the "rotten capitalist system" and the Chinese "monopoly" of the country's business.

"I regret that I'm fighting this kind of war defending the interests of these stupid American imperialists," said Pala, who broke away from the Alsa Masa last year and formed his own "Contra" Force. He added that he is now willing to receive funding from socialist countries except from Red China and America.

Schwartz, however, refused to comment on Pala's charges but admitted meeting Pala in a downtown cafe here.

On the other hand, Pala also lambasted the Aquino government for the "lack of program" for the poor people. "What's the use of calling the rebels to surrender when nothing awaits them when they do it?" he asked adding that those who had surrendered in the past years "are not potential rebels" for lack of livelihood program.

He also predicted that the vigilante groups, particularly the Alsa Masa, is just a temporary phenomenon. He said the government has failed to "help sincerely" the vigilante groups, adding that both the government and the "American imperialists" also failed to grasp the opportunity of winning back the people.

Using the vigilante group in the government's counterinsurgency program, Pala said, is not the solution to the insurgency problem. "The solution is economic, and this government is the main cause for rebellion," said Pala, as he changed his tune.

He claimed that since the establishment of the Contra Force foundation, the group's name registered with the Securities and Exchange Commission, it has already helped a number of members and non-members in their hospitalization and burial problems.

"The foundation is a big insult to his government who remains indifferent to the poor people," he said.

Asked on the possibility the rebels may use him for propaganda purposes, Pala said: "I don't care. If they use me, I'll also use them... as long as it is good for the poor people." He admitted that the leftist rebels are not the threat to his life at present but the city's big crime syndicates whom he has also lambasted in his daily radio program.

"I am no longer a rightist. Those days were over. My advice now to my followers is not to provoke the rebels. Leave the military in fighting [to] the NPAs." Pala said he now prefers to be called a crusader rather than a vigilante, for "I don't kill persons."

The one time political aspirant who garnered 71,000 votes during the recently held local election and campaigned on the platforms of new politics said that he has as his idols, Che Guevarra, Lenin and Kennedy, instead of Hitler's propaganda minister Joseph Goebbels. Over at station DXOW, he has hoisted a red flag as a declaration of "non-violent" war against the "indifference and bureaucratic red tapes of the government" and the "American imperialists."

"I am the new NPA of Davao City. What the NPAs are shouting I'm also shouting now minus the violence," Pala declared and warned, "it's either the NPA or the Contra Force who will take over the government."

### Students, Police Official Cite Intensification of Crackdown Against Activists

42000407d Manila THE MANILA CHRONICLE in English 29 Jun 88 p 7

[Article by Rex L. Aguado]

[Text] Recent encounters between Manila policemen and students have been anything but friendly.

Although their confrontations are a far cry from the turbulent street clashes of the martial law years, a number of students and policemen believe that history might be repeating itself. And with vengeance.

Jim Romero, head of the Task Force Detainees' research and documentation program, says there has been an increase in arbitrary arrests and detentions of students and youth since late last year.

"This is an ongoing trend and with the continuing crackdown on alleged communists and rebel sympathizers, we expect more arrests in the coming months," he says.

Just last week, 31 members of the Kabataan para sa Demokrasya at Nasyonalismo (Kadena) were arrested on charges of illegal assembly and "inciting to sedition." A P10 million libel suit was even filed against the group for allegedly maligning a police station commander for publicly accusing him as "the brains behind the 'salvagings' (summary executions) of militant youths."

To the students, "police brutality and state repression" are again rearing their ugly heads.

Angelo Jimenez of the College Editors Guild of the Philippines observes that "the policemen are becoming less tolerant and less patient" with student demonstrators.

"I think there has been quantitative and qualitative increase in police harassment," Jimenez explains. He said mass arrests, dispersals, and violent confrontations between rallyists and anti-riot policemen are also becoming rampant.

Jimenez notes that there has been no radical change in the protest action among certain groups in response to the perceived "heightened police harassment."

Students from the University of the Philippines, for example, are still very moderate in their street rallies, he says. This, he adds, is in sharp contrast to other youth groups and their "overzealous ways."

Kadena, a community-based youth organization, is one such very militant group which has been tagged as "trouble-maker" by Manila policemen.

Joel Adarna, Kadena spokesman, readily defends his groups's militancy: "The government through its police machinery, is carrying out the U.S.-sponsored "low-intensity conflict" in the urban center in its attempt to quell the growing and intensifying militancy of the Manilans in their struggle for a just and humane society."

For the past few months, Adarna says, a number of Kadena members had been arrested, abducted, tortured and "salvaged."

"It appears that the police have declared a war against us," Adarna notes.

Lt Col Romeo Maganto, the charismatic commander of the Western Police District's Station 1 in Tondo, agrees that "there is indeed a war going on in the city."

"But it is a war we are waging against criminal elements and urban terrorists," he points out.

Maganto claims that Kadena and similar organizations are being used as fronts by the New People's Army Alex Boncayao Brigade (ABB).

Most of the people behind the killings of policemen in the metropolis turn out to be members of such groups, he says.

He suggests an iron-fist policy against these groups because "if we leave them alone, things might get out of control."

"They are using democracy to destroy democracy," Maganto explains. "We do not torture them. If they resist arrest, maybe that is when they are shot; but we are only doing our duty, otherwise the public might say that we are being inefficient."

The "efficiency" of the police force, however, does not seem to sit well with other groups. The usual accusation is that police action (or overreaction, as they say) has led to countless human rights violations.

"In this premier city, supposedly the citadel and last bastion of the rule of law and reason, human rights violations are committed with the greatest impunity," laments Arnel de Guzman, an officer of the Ecumenical Movement for Justice and Peace.

The "police (have) transformed Manila into a laboratory for urban counterinsurgency program of the Aquino Government," De Guzman says.

This view, however, is only half-complete, says Maganto.

"Everybody knows that some of these groups have connections with the Sparrows. I'm not saying that they are communists, but as we see it now, parang ganoon talaga," Maganto explains.

He says it is more than coincidence that every time police arrest a student or disperse a rally for "illegal behavior," a policeman is gunned down by the liquidation squad of the NPA.

"Even in their rallies, they openly threaten us. Isusumbong daw at ipapapatay kami sa Sparrows," Maganto says.

One TFD official warns the "deterioration of the relationship between students and policemen is very alarming."

"Of course, these two groups have never been friends. As far as I can remember they have always been adversaries. What I am afraid of is the increasingly common use of assassination and summary executions by both sides as a means of getting back at the other group," explains the official, who requested anonymity.

TFD's Jim Romero says that his group "never approves killings by the ABB or condones killings allegedly committed by policemen."

"But the killings and other forms of human rights violations being committed by the policemen are more deplorable since they represent the government which in turn has the responsibility of preserving the rights and life of the people," Romero explains.

His statement invites a trite response from Maganto.

"The trouble with being the defender of the democratic system is that our hands are being tied at the same time. While these communists are killing us one by one, we cannot shoot back, if we do, we are always accused of human rights violations. As I said, these terrorists are using the democratic space while we are not allowed to defend ourselves," Maganto says. "We are not stupid enough to be just sitting ducks."

Kadena and other groups will not be decoy targets either.

A few days ago, apparently in reaction to the police crackdown on its members, the Kadena announced the formation of its "self-defense units." Unlike the vigilante groups sponsored by the policemen, Kadena members were quick to point out, the units will be unarmed and "will be used only for intelligence gathering."

Meanwhile, at the WPD and other police stations, anti-riot squads are being beefed up. Many policemen believe that they are facing "exciting" months ahead.

**Editorial Warns Government Against Easy Terms for Marcos 'Cronies'**

42000399d Manila THE MANILA CHRONICLE in English 17 Jun 88 p 4

[Editorial: "Cronies Must Not Go Off Lightly"]

[Text] It is now apparent that the Aquino Government has evolved a policy concerning the handling of Marcos regime cronies who have laundered considerable assets overseas.

The policy, it seems, allows government to negotiate with them for the recovery of significant amounts of assets in exchange for immunity from suits or retribution for their association with the past regime.

In a news conference the other day, a commissioner of the Presidential Commission on Good Government, Quintin Doromal, said that negotiations were under way with five still unnamed cronies over their assets. These cronies have returned home; others are expected to follow suit, if they can make arrangements acceptable to this government.

The details of these arrangements have not been fully disclosed. But it involves having government take over majority control of the boards of sequestered crony companies. This arrangement was part of the compromise agreement concluded last March 1987 with Roberto Benedicto, who is now living overseas. Mr Doromal took care to clarify that no new negotiations are being carried out with Mr Benedicto.

The negotiations that Mr Doromal disclosed in his news conference are part of the determined campaign by the government to recover part of the Marcos and crony assets laundered all over the world. Assets that have been identified by evidence are conservatively estimated to be over \$1 billion.

Part of the reason for the president's visit to Switzerland is to press ahead with the recovery of the Marcos hoard in Swiss banks—an effort that seems to have achieved concrete results. The Swiss Government as well as the Swiss banks have made the unusual decision to relax the strict rules on the confidential nature of deposits. This relaxation has given the government the breakthrough it needs to take possession of some of the Marcos wealth.

The apparent government approach has a strong element of pragmatism. It derives from the cold-blooded calculation that it is better to recover some of the assets than none at all. A hard line of retribution may hinder the successful recovery of the assets since evidences of their existence have been so elaborately concealed making it next to impossible to trace ownership.

So far, through the use of compromise arrangements, several cronies have either consented to be state witnesses or to reveal evidence leading to the location of hidden Marcos wealth.

This notion of using state witnesses as a compromise is being practised in criminal law, so it does not shock lawyers and officials. The government itself has indicated that a precondition for its allowing former President Marcos to return home is his handing over his laundered assets.

Since this would imply an admission of guilt from Mr Marcos that he indeed had looted the national wealth, this condition stands as a big obstacle to his return. He is not likely to admit guilt.

The option left for the government therefore is to wrench out the assets from their secret hoard either by inducing cronies to cooperate or by seeking the help of foreign governments in efforts to recover them. It is quite obvious that the campaign to recover the wealth is part of the many-pronged approach to pump resources into the economic recovery program.

Given the reality of politics, the negotiations with the cronies are mainly governed by the pragmatic demands of taking hold of the laundered assets. The main problem then is whether the government is negotiating toughly enough to squeeze out the most advantageous terms. The PCGG still has sanctions and punitive leverage at its command to drive a hard bargain.

These instruments have to be used to the maximum. If the government, in its desire to get hold of the assets quickly, allows the cronies to go off lightly, they will in time make their way back to the economic and political system with relatively undiminished clout.

They could transform these resources into political power and influence that could be used against the government whose democratic goals are incompatible with the environment of corruption in which cronyism prospered.

/12232



**NESDB Official Predicts Record Growth**  
*42000389b Bangkok BANGKOK POST in English*  
14 Jun 88 pp 1, 3

[Article by Theh Congkhadikij]

[Text] Thailand's economy is expected to grow by nine per cent this year, second only in the Far East to the anticipated 10 per cent economic growth in the Republic of Korea, Dr Phisit Pakkasem, deputy secretary-general of the National Economic and Social Development Board, said yesterday.

This is the high-case projection of the NESDB, working on computerised printouts and variables from econometric modelling with the Technical Development Institute and the Bank of Thailand, the base-case projection (the lowest possible rate based only on basics) being eight per cent.

Thailand also gained a balance of payments surplus during the first quarter of this year of 9.6 billion baht, with international reserves rising to \$5.7 billion and going higher to \$6 billion at present.

"As a result, our financial position is very strong. Although we continue to have a trade deficit, much of it is due to imports for industrial, agricultural and service development purposes," said Dr Phisit.

During the first six months of this fiscal year (beginning October 1, 1987) government revenue has been "coming in faster than expenditure has been going out for the first time ever." The result is a cash surplus in the government coffers of 3.9 billion baht for the first quarter of 1988.

"The Government can now afford to invest in infrastructure by itself or together with the private sector," Dr Phisit commented.

All indications are that Thailand has achieved across-the-board growth, he reported, with all economic sectors (agriculture, industry, service) reaching almost full capacity, raising fears about supplies being unable to meet demand in the future unless certain steps are taken.

Dr Phisit said that while other factors such as a recovery in the world economy was crucial, the record economic development could be attributed to both the Government and the private sector and to their close consultations and cooperation.

He reported that exports in the first quarter of this year have risen 29 per cent from the first quarter of last year, with the estimated total exports of 1988 expected to be 382 billion baht, compared to 298 billion baht for the whole of last year.

He attributed the high export levels to the Government's exchange rate policy stimulating the market, improvement in global economic conditions, incentives for export-led economy and service-oriented industries, and introduction of new export products needed in the world's markets, for which there are no tariff barriers.

Industrial growth has been 36 per cent.

Dr Phisit reported that commodity prices had begun to recover, as he had predicted to the Bangkok Post when reporting on the commodity trade slump two years ago.

Dr Phisit forecast total rice production this year of 19.4 million tons (up from 17 million last year), rubber production of 950,000 tons (up from 910,000 tons last year), corn production of 4.4 million tons (up from 2.3 million tons last year) and tapioca production of 22 million tons (up from 19 million tons last year).

"All this, together with rising commodity prices, should benefit farmers," said Dr Phisit.

Imports for the first quarter were 37 per cent higher than in the first quarter of last year with total imports for this year likely to be 455 billion baht.

The deficit is likely to be around 73 billion baht, representing a high 5.1 per cent of the GDP. No concern is expressed over this figure, however, since most of the imports are for economic development.

Showing that investments have been growing steadily, imports of capital goods and raw materials for industries have risen from 36 billion baht for the first quarter of last year to 39 billion for the corresponding quarter this year while energy consumption has grown 16.1 per cent and petroleum use has gone up from 245,000 to 277,000 barrels a day.

Investments reported by the Board of Investment during the first quarter of this year totalled 93 billion baht, up from 89 billion baht in the first quarter of last year.

Meanwhile, the oil fund has stabilised at 3.6 billion baht, without any need for a subsidy outflow.

Warning of an "over-heated economy," Dr Phisit said that Thailand's inflation rate is high, with the consumer price index (mainly food items) at 4 per cent, the production index (agriculture, feedstock) at 11.8 per cent and export index at 18 per cent.

He welcomed the high prices for rice and other agricultural products because they help farmers.

"Thailand's economy has been operating at almost full capacity, bringing about shortages in supplies of essential construction materials such as steel," Dr Phisit pointed out.

"We have only a very small security reserve of electricity, less than 20 per cent. We need to expand refinery capacity."

With Thailand's economy going at "full swing," Dr Phisit said, "what is required is preparation for expanding infrastructure during the rest of the Sixth Plan."

He noted that Klong Toey port this year has handled 800,000 containers compared to 600,000 last year.

He suggested that the Port Authority of Thailand improve handling procedures and relocate unnecessary offices and car parking outside the port area.

"The PAT should allow the private sector to operate container freight stations so that containers can be filled, checked by Customs and sent to the port ready for loading. Sattahib port should be fully utilised before the Laem Chabang deep sea port is ready."

With blackouts frequent in provincial areas, steps should be taken to improve power supplies, said Dr Phisit.

Telecommunication should be de-regularised to improve service, particularly the international telephone system, which is very important if international companies are to be encouraged to relocate regional head offices here because they have to keep in close contact with their home offices.

Air traffic has expanded by 20 per cent in response to the tourism boom. Because of the unexpected growth, the Sixth Plan, already in its first year, will have to be revised.

The Government has to reassess infrastructure investment for the next five years to eliminate "bottlenecks" in energy, electricity, telecommunications, ports, airports and other facilities necessary to ensure continuing growth and maintain Thailand's competitiveness in the world market.

The Government should encourage the private sector to invest in infrastructure through joint ventures with the Government, franchises, contract-outs and the BOOT (Build, Own, Operate and Transfer-to- government).

It must lay down proper guidelines to ensure fair price, fair return and good quality of service or goods. "We cannot simply transform a public monopoly into a private monopoly," Dr Phisit warned.

He noted that many facilities are under-utilised, such as U-Tapao airfield and Sattahip port, and said preparations should be made for maximum use of the Songkhla and Phuket ports in the South when they are completed.

"At the same time, the Government must streamline procedural bottlenecks because those are as responsible as physical infrastructure for obstructing progress," he remarked.

"If these measures are not taken, it will be like reining back a winning horse."

Dr Phisit quoted the May/June issue of INTERNATIONAL ECONOMY, a prestigious Washington, D.C. publication, as reporting:

"Thailand's secret weapon is a ruling class that knows its business."

He reported that after "Black Monday" (October 19, 1987) nobody expected the world economy to recover as quickly as has done.

World economic growth is three per cent, with Japan at five per cent being the star performer.

Japan's growth "means that Japan, which may report a growth of seven per cent, has generated domestic demand, and this will be important for Thai exports."

The United Kingdom which has prospered with privatisation and confidence in its political stability can become a bigger market for Thailand.

## POLITICAL

### CPV Ended Vietnam War by 'Fighting While Negotiating'

42090182 Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Dec 87 pp 34-42, 33

[Article by Colonel Tong Ho Trinh: "Marking the 15th Anniversary of the 1972 Strategic Offensive (1972-1987) and the Signing of the Paris Accord (1973-1988)—Our Party's Art of Fighting While Negotiating in the Resistance Against America"]

[Text] In order to bring the resistance against America to total victory, our party had to lead the people as a whole in their resolute fight and at the same time had to pursue a correct international approach and a diplomatic line aimed at developing to the highest level the force of our nation combined with the force of the era so as to defeat the most bellicose gang-leader and imperialist, the number-one enemy of progressive mankind.

Right in the first days of the "liberation of the South, defense of the North," the CPV had proposed the policy of struggling for an "independent, democratic, peaceful, and neutral South, moving toward peaceful reunification of the fatherland." The objective of that just struggle attracted the agreement and support of the progressive people in the world, opened the way for our diplomatic offensive, isolated the American imperialists, and restrained their aggressive acts in the war of resistance. Consequently the struggle on the diplomatic front always was closely linked with and served the military and political struggle, helped to score one victory after another, led to a situation in which we both fought and negotiated, and forced America to sign the Paris Accord on Vietnam that would lead to the withdrawal of American troops from the South and an end to all military acts against the North and create the premise for our people to move toward winning total victory.

The coordination of the politico-military and diplomatic offensives was carried out right in the first years of the resistance, and reached a stage of particularly strong development and close linkage in the years from 1968 to 1972. It was associated with the Mau Than (Year of the Monkey) Tet general offensive and uprising and strategic attacks of our army and people in 1972.

#### I. Tet Offensive Leading to Negotiations

Following their unsuccessful strategic counteroffensives in the two successive dry seasons of 1965-1966 and 1966-1967, and because of the great loss of aircraft and pilots sustained in the escalated attacks on the North, the American imperialists and their lackeys found themselves in a dilemma: it would be hard for them either to move forward or retreat whether militarily, politically, economically, and financially on the battlefields and in America itself. The fact that nearly half a million American troops were being bogged down in the Vietnam War

deeply upset America's strategic position in the world. The American imperialists had used up the force set aside for a local war and had also used up a part of the strategic reserve force set aside for the key strategic scheme in Europe. <sup>1</sup> Recruitment exceeded 30,000 people/month, which was well beyond American plans.

Financially, by 1968 America had spent 60-70 billion dollars on the Vietnam War, 3 times as much as it spent on the Korean War. The war burden was heavily affecting the American economy and society and America's foreign policy and defense construction.

The more deeply America got involved in the war of aggression in our country, the stronger the antiwar movement in America became. Many officials in the American government who had been very bellicose now became disenchanted with the war, lost their confidence, and demanded an end to the war and movement toward negotiations. The movement against the American imperialists' war of aggression in Vietnam was rising internationally to an unprecedented height.

But with their stubborn and warlike nature, American imperialists were widening the war of aggression while falsely claiming that they had "peaceful intentions" and had constantly talked about "negotiations without preconditions," and that "America would not want an enlarged war." However, they also had to think of a political solution and explore and prepare for negotiations. But their action was aimed at escalating the war in order to negotiate from a position of strength.

It was obvious that the American imperialists realized that they would lose the war.

Having known the situation early, at the end of October and in November 1966, the Political Bureau met and set forth the policy of "stepping up the military struggle and political struggle in the South," at the same time stepping up the international political and diplomatic struggle, "actively taking the initiative and creating favorable conditions for applying the tactics of simultaneously fighting and negotiating, negotiating and fighting simultaneously, for the purpose of winning world opinion, isolating the American imperialists, creating more difficulties for the enemy, putting the enemy into a passive situation with confusion and more internal contradictions, and helping to bring about the disintegration of the puppet army and puppet administration and step up the movement for struggle in the cities." <sup>2</sup> And in January 1967, the CPV Central Committee held its 13th plenum to specifically discuss the issue of leading the diplomatic struggle and the policy of opening a new offensive front at the negotiating table aimed at coordinating and serving the armed and political struggle in order to score an even greater victory. The Central Committee also pointed out that "the military struggle and political struggle in the South are the major factors that determine

victory on the battlefield and serve as the foundation for victory on the diplomatic front. We can win at the negotiating table only what we can win on the battlefield."

However, "the diplomatic struggle does not solely reflect the struggle on the battlefield, but in the present international situation and due to the nature of the war between us and the enemy the diplomatic struggle plays an important, positive, and active role."<sup>3</sup> But our party once more asserted that "we should not forget that victory on the battlefield is the deciding factor."

To have a strong and sound premise for negotiations and to follow up the victory in the 1966-1967 dry season, we launched another offensive in the summer and autumn of 1967, which was successful and further drove the enemy into a more passive and confused situation; and in June 1967, the Political Bureau adopted the policy of actively preparing for a decisive strategic blow to win and to force America to acknowledge military defeat by launching a total military, political, and diplomatic offensive. Because the progress of the war was in our favor toward the end of 1967 the Political Bureau in December issued an important resolution "to move the revolutionary war in the South into a new period, the period of scoring a decisive victory"<sup>4</sup> through general offensive and general uprising. It advocated creating at any cost a great combined force for "military offensive and political offensive, with three prongs of close combat, in all three strategic regions, and combined with diplomatic offensive,"<sup>4</sup> to break the enemy's will to carry on the aggression and to force them to agree to negotiate and move toward ending the war in accordance with our goals and needs.

The Tet general offensive and uprising was a truly unexpected event for the enemy. Our armed forces vigorously attacked 6 municipalities, 44 cities, and hundreds of enemy bases, district capitals, and subzones, and occupied Hue for 25 days; the masses rose up and smashed the puppet administration in many large areas, liberated many hamlets, and made the Saigon army—America's lackey—face the threat of widespread collapse.

Within more than a month and a half in the Mau Than Spring, 147,000 puppet soldiers were killed. The number of soldiers who deserted reached 200,000. Casualties on the American side were as many as 43,000. A very large quantity of enemy materiel was destroyed, a loss of 34 percent of America's war reserves in South Vietnam.

The third American strategic counteroffensive had to be cancelled. In a message sent to the U.S. Command in the Pacific, Westmoreland had to confess, "Our entire military operations plan for 1968 was broken."

The American imperialists were also severely punished when they unleashed their warplanes and ships in attacks against the North and thus escalated the war. Their lackeys in Laos were also driven by the revolutionary forces from Nam Bac, Tha Thom, Tha Vieng, and so on.

Our Tet offensive forced the White House and Pentagon to recognize a reality: the road to ending the war of aggression with a military victory was a hopeless one. As a result, President Johnson had to decide to stop the bombing raids against the North above the 20th parallel and to limit American military activities in the South, and agreed to send an envoy to talk with us in Paris "to seek peace through negotiations."

The talks took place while fierce action continued on the battlefields. With their traditional policy of "talking from a position of strength," the enemy actively exploited our difficulties, tried to engage more troops to launch counterattacks in the South, used more bombs and shells, and launched three times as many bombing missions as before against targets south of Military Region 4. On 13 February 1968, Johnson made public the American negotiating viewpoint: "In spite of the communist general offensive in South Vietnam, the San Antonio formula remains valid." America still demanded reciprocity. The American imperialists' very great efforts aimed at reversing the situation all dissolved. In November 1968, they were forced to totally end the bombing missions over North Vietnam, to sit down to talk with the National Front for the Liberation of South Vietnam (NFLSV), and to give up the "local war" strategy.

It was obvious that to fight and to negotiate simultaneously, to negotiate and to fight simultaneously, was the inevitable result of the balance of power between us and the enemy in the all-people, all-out war and the new situation that reflected the victories scored by our army and people on the battlefields throughout the country in the 1968 Spring Strategic Offensive.

## II. 1972 Offensive Leading to Accord

Although the American imperialists had been forced to accept holding talks among four parties, they tried to mark time, to continue the diplomatic policy of relying on a position of strength, and at the same time did their best to counterattack on the battlefield. That stubborn behavior on their part was a result of objective and subjective reasons, as well as from our difficulties, which they tried to take advantage of.

Nixon, who represented the most bellicose and reactionary clique in America and had just won the presidential election, quickly took advantage of the post-electoral "honeymoon period" to continue increasing the number of American troops, strengthening the puppet army, at the same time striving to pacify the countryside, and widening the war by launching decisive counteroffensives. Nixon also opened the way for colluding with the

Chinese reactionary ruling clique to oppose Vietnam, to prevent our people's victories, to share the sphere of influence in Southeast Asia, and to fight the Soviet Union and the socialist bloc.

With the strategy "Vietnamization of the war", Nixon deliberately prolonged the withdrawal of American troops, poured money and weapons into the South to prop up the puppet army, and used the latter along with American troops to carry out new war adventures, with the hope of creating a seesaw situation and stability for Americans in the South and, on that basis, to negotiate with us from a position of strength.

On 25 July 1969, Nixon presented a rather complicated American strategy in Vietnam with these words, "For Vietnam there must be two separate approaches that supplement each other, negotiation and Vietnamization, i.e., there will no longer be victory, nor will we abandon Vietnam, but instead we must prepare for a political agreement without disturbing the balance of power in the region."

In order to thwart the White House's stubborn plot and to carry out the formula of defeating the enemy step by step, the entire country engaged in a plan to march forward to "fight until the Americans leave," advance in the "fight until the puppets collapse," and liberate the South. In February 1969 we launched the Ky Dau (Year of the Rooster) early spring offensive against 35 enemy command posts of regimental level and higher, 38 airfields, 17 large depots, 36 municipalities and cities, and more than 100 towns and district capitals, inflicting tens of thousands of casualties on American and puppet troops. Large cities in the enemy-controlled areas were in perpetual turmoil. Then on different battlefields, offensives were launched in the summer, autumn, and winter of 1969 to defeat the enemy's counterattacks.

In coordination with the battlefield, at the negotiating table in Paris on 8 May 1969, the NFLSV proposed a complete 10-point solution aimed at two basic questions: first, unconditional and total withdrawal of American troops from the South; and second, the right of self-determination of the people of the South without any foreign intervention. In order to lend more strength to the political and diplomatic struggle and at the same time to fulfill the need of the revolution in the South in the new strategic stage, on 6 June 1969 the Provisional Revolutionary Government of the Republic of South Vietnam (PRGRSV) was established as the legitimate government to conduct the negotiations with America in Paris.<sup>5</sup>

Denouncing Nixon's deceitful, "symbolic," and very slow withdrawal of American troops, President Ho Chi Minh declared, "The Vietnamese people firmly demand that all American and satellite troops be withdrawn, not just 25,000, or 250,000, or 500,000 of them but all of them, and unconditionally...."

Remaining extremely stubborn, in March 1970 America used its lackeys to mount a reactionary coup to overthrow the Sihanouk government and then, through them and with the Saigon and Lao puppets, established an Indochinese reactionary alliance and extended its war of aggression to the three countries, with concentration in South Vietnam, in hopes of reversing America's losing position. On 30 April 1970, it mobilized 50,000 American troops and 40,000 Saigon puppet troops to launch aggressive attacks on Cambodia in order to destroy the strategic rear area that we directly used in the South, on the Vietnamese-Cambodian border.

On the diplomatic front, America also busily relied on coordinated activities. In Paris, it made us believe that a representative of the American government was sent to meet representatives of the PRGRSV in order to exchange views on peace negotiations. Then it assigned a new chief delegate to continue the talks in Paris, which the Americans had deliberately postponed when they needed to exert pressure on us.<sup>6</sup>

On 9 October 1970, Nixon announced "a peace initiative" consisting of five points: 1. All armed forces would observe a ceasefire and remain in their positions throughout Indochina; 2. An international conference on Indochina would be convened; 3. One-half of the American troops would be withdrawn from South Vietnam; 4. A political solution would be carried out; and 5. Prisoners of war would be released. At the same time, he threatened to resume bombings over the North and to set off waves of the so-called retaliatory air attacks in response to our destruction of the American reconnaissance aircraft that had violated the northern air space. Secretary of State Kissinger called the above-mentioned American policy and activities "the two-prong policy aimed at achieving peace in Vietnam through discussions at the Paris conference and the Vietnamization program" (statement on 6 March 1970).

Knowing in advance the enemy's scheme, the Political Bureau and the Military Commission of the CPV Central Committee sent early orders to battlefields which, along with friendly Cambodia, were to be actively prepared for a new offensive posture. As soon as the Americans and Saigon puppet troops had crossed the border, they were ceaselessly fought off, in the front line on the friendly country's soil and in the rear on the battlefields of Nam Bo, Military Regions 6 and 5, the Central Highlands, Route 9, and Tri-Thien, in well-coordinated and strong attacks mounted in accordance with such orders.

On the Lao battlefield, the Pathet Lao army and Vietnamese volunteers took advantage when the enemy became bogged down in a new battlefield and quickly launched a series of major offensives to liberate Lower Laos, to chase enemy troops from the Plain of Jars in Upper Laos, to liberate Sam Thong, and to put pressure on Long Cheng.

The military attacks carried out by our friends and by us succeeded in eliminating nearly 40,000 American and puppet soldiers on the Cambodian battlefield, with casualties on the American side alone totaling more than 10,000. The friendly country's established liberated zone covered a large area in 5 provinces and most rural areas in 10 other provinces, linked the northeastern regions of Cambodia with the territory along the Tonle Sap and its western region, and included 61 out of 102 districts and 4.545 out of 7 million people, who were now their own masters. Thwarting the Americans' calculations aimed at "cutting off and smashing" our direct strategic rear in Nam Bo, destroying the Cambodian revolution, and gaining more strength for themselves in the negotiations, the Cambodian revolution on the contrary scored great victories, achieved faster-than-usual growth, moved into a new strategic stage, and at the same time strongly supported the war of liberation in Vietnam and Laos.

On the battlefield in the South, our army and people quickly overcame some of their difficulties, successfully fought back the enemy's "pacification program," effectively used on-the-spot manpower and resources, and created for themselves a new offensive strength.

With great victories on the battlefields in both Lower and Upper Laos, the fraternal Lao people succeeded in moving the war of liberation to a new stage of growth and acquiring unprecedented strength.

The strategic transportation routes from the great rear to the battlefields were extended to both the eastern and western sides of Truong Son mountain range, included land routes and the Mekong River going through fraternal Laos and Cambodia to Nam Bo, and defeated the American imperialists' "war of attrition" strategy.

The fact that the people of the three Indochinese states were able to smash the American imperialists' plot to widen the war of aggression and to divide the three fraternal nations created a new battlefield situation, in which our nations developed greater solidarity, supported one another, and acquired an unprecedented great force for use in the fight against the common enemy and his lackeys. The Indochinese people's high-level conference that met for 2 days, 24 and 25 April 1970, made a statement to the effect that the three states would do their best "to make Indochina really become an independent and peaceful region, in conformity with the aspirations of the people of the three states and for the sake of peace in Southeast Asia and the world." Along with the victorious attacks on the battlefield, it was a diplomatic offensive move aimed at smashing right in the beginning the American plan for setting up a reactionary alliance among the lackeys in Indochina to fight the revolutions in the three states and at the same time bankrupting the Beijing expansionist clique's policy to divide the three Indochinese states.

The serious defeat suffered by the American imperialists in their attempt to widen the war to all of Indochina not only bankrupted the White House plan for "negotiating from a position of strength" but also provided a strong impetus for the American people's movement against the war of aggression in Vietnam, which then forced the American Congress to put pressure on and demand the American Government to withdraw troops from Cambodia.

However, the situation of "fighting and negotiating simultaneously, negotiating and fighting simultaneously" continued to take place in a bitter, forceful, and complicated manner. It reflected the realistic trend of the struggle between us and the enemy on the battlefield in the period when the war was entering a decisive stage.

In early spring of 1971, the Nixon clique embarked on new adventures. It gathered a large strategic force—45,000 puppet troops consisting of 47 infantry battalions, 9 armored groups, and 21 artillery battalions—with an American reserve force of 7 infantry battalions and 2 armored battalions. America had given large air force and logistical aid to the puppet army. The American-puppet Operation Lam Son 719 in the region of Route 9-southern Laos aimed at "squeezing the throat" of the North-South supply route and establishing a line that would cut across Indochina from Cua Viet (in Vietnam) to the Mekong River (in Laos).

To thwart that shrewd enemy plot the Political Bureau and Military Commission of the CPV Central Committee decided to use a major counteroffensive operation to score an additional strategic victory that would further change the situation throughout Indochina. Our army and people, in coordination with the army and people of fraternal Laos, totally smashed the American-puppet "Lam Son 719" Operation in the Route 9-southern Laos region. In 43 days of fighting, we inflicted 23,000 casualties, destroyed and shot down nearly 500 aircraft, mostly helicopters, seized nearly 800 military vehicles and 150 pieces of artillery, and captured alive an entire puppet brigade command.

In coordination with the main operational direction, the battlefields in South Vietnam, Upper and Lower Laos, and Cambodia launched simultaneous attacks, killed many enemy troops, and further enlarged many liberated zones. Along with military attacks, the movement for political struggle also was rising. In Saigon, tens of thousands of people took part in demonstrations and strikes to protest Nixon, to demand that America leave South Vietnam, to oppose the war and the induction of youths in the puppet army, and to demand that peace be restored in Vietnam.

The victory in the 1970-71 dry season, particularly our victory in the Route 9-southern Laos region, "was another important step toward defeating the enemy, opening up the realistic prospects for defeating the American policy of military Vietnamization of the war";

it also strengthened our just stand at the Paris Conference. The American position at the negotiating table was also further weakened. America was forced to continue withdrawing substantial numbers of its troops. The withdrawals of troops from its satellite countries like South Korea, Thailand, and Australia ensued. However, the Nixon-Kissinger clique, hoping through collusion with Beijing rulers to restrain us and to exert pressure on us, continued to keep things at a standstill at the Paris conference.

To produce results in the talks and to force the American imperialists to end the war in accordance with our needs, the Political Bureau's decided to launch a strategic offensive and the battlefields were again active in the 1971-72 dry season. We destroyed a great deal of the enemy's vitality, particularly large numbers of main-force troops, smashed enemy defense groups, and at the same time stepped up the masses' uprising movement, all for the purpose of scoring a victory of decisive significance. The 1972 strategic offensive was carried out with troops of the main-force corps [binh doan] on the largest scale, with the most modern weapons and technical equipment, and with close combination with the local people's war on all battlefields.

In the last days of March 1972, the large-scale offensive operations of the main-force corps simultaneously broke out in Tri-Thien, the Central Highlands, and eastern Nam Bo.<sup>7</sup>

In the Tri-Thien direction, the main direction of the strategic offensive, in attacks launched beginning on 30 March we smashed the outer-perimeter defense line; destroyed such bases as Dong Ha, Lai Phuoc, and Ai Tu; moved forward and liberated the entire Quang Tri Province; extended the offensive into the northern part of Thua Thien Province; destroyed the 3rd Infantry Division of the puppet army; inflicted heavy losses on many Marine brigades; and brought about the collapse of parts of the public security, militia, and self-defense forces.

On that same day, in the Central Highlands, we smashed the Dakto-Tan Canh defense zone, liberated the entire northern part of Kontum, and destroyed the puppet 22nd Infantry Division.

In Nam Bo, on 31 March we launched the Nguyen Hue Offensive Operation in the region of Route 13-Loc Ninh, Route 22-Sa Mat, and Thien Ngon; attacked Tay Minh; seized the City of Loc Ninh; and put the City of Binh Long under the threat of being captured.

In the Mekong River delta, we launched an intermediate-scale offensive against a series of subzones and district capitals and caused uprisings in which the masses now controlled many hamlets and villages.

In the Zone 5 delta, we launched an offensive and caused mass uprisings in Hoai Nhon and Hoai An Districts and the Town of Tam Quan.

To defend and save the puppet army now threatening to collapse, the American imperialists were compelled to reinstall the system in which advisors assumed direct command of the puppet army, again "to Americanize" part of the war, to use "decisive military acts," and to mobilize the largest number of aircraft until then to wage a second war of destruction, to deal madly destructive blows, against the North.<sup>8</sup> However, on 17 April 1972, they still had to announce the resumption of "the Paris peace talks."

With the victory in the 1972 strategic offensive, the temporary boundaries were destroyed. Larger parts of Quang Tri and Kontum Provinces, Loc Ninh and Bu Dop Districts in eastern Nam Bo, Que Son District in Quang Nam Province, Ba To District in Quang Ngai Province, Hoai Nhon, Hoai An, and Vinh Thanh Districts in Binh Dinh Province, and many villages and joint villages in many provinces were liberated.

In the North, from May to early December 1972, our army and people shot down more than 600 American aircraft, including 20 B-52's and 5 F-111's; hit and set fire to nearly 100 American warships; and captured alive many enemy pilots. Then a "Dien Bien Phu battle in the air" in the skies of Hanoi-Haiphong in 12 days and nights, from 18 to 29 December, smashed the American imperialists' greatest air raid, in which 30 American aircraft, including 23 B-52's, were shot down (in the same period the North as a whole shot down 81 American aircraft, including 34 B-52's).

We could say that the battlefield activities aimed at the enemy were closely combined on a daily basis with the struggle at the negotiating table in Paris. Fighting and negotiating, and negotiating and fighting, were closely linked together during the entire 1972 Strategic Offensive. And the victory scored in that offensive in both the North and the South thwarted the intention of the Nixon-Kissinger clique to negotiate from a position of strength. Again under tremendous pressure exerted by the international community and by the progressive American people who demanded an end to the aggressive war in Vietnam and the signing of a peace accord, Nixon was forced to announce a date for the resumption of talks, 30 December 1972, which the American side had unilaterally left earlier, on 18 December, and the cessation of bombing over the North above the 20th parallel.

On 12 January 1973, they finally agreed to the draft accord; on 15 January, they agreed to a cessation of all military activities and offensives, including "bombing, shelling, and mining," against North Vietnam.

The Accord was signed on 27 January 1973 by the foreign affairs ministers of the four parties and took effect at 0700 hours on 28 January 1973. We compelled the Americans to withdraw all of their satellite troops, to dismantle all of their military bases, and to let the people of South Vietnam take care of their own internal affairs. Our army and people thus scored a decisive victory, succeeded in our goal to "fight until the Americans leave," and created favorable conditions for scoring total victory in 1975, to "fight until the puppets collapse."

Between the Mau Than Tet offensive, when we attracted the enemy to the negotiating table, and the signing of the Paris Accord, there was a fierce, complicated, and extremely tough process of both fighting and negotiating. Both we and the enemy made the greatest efforts to resolutely win a position of strength for the talks. The enemy was extremely stubborn, continuing to fight and deceive public opinion, claiming they were showing good will but made slanderous statements about us, and at the same time openly escalated and widened the war, strengthened their counteroffensives in the South, launched fierce attacks on the North, colluded with the reactionary forces hoping to restrain and weaken us, and sabotaged the talks from May 1969 to January 1973, with the stage of both fighting and negotiating having lasted 4 years and 8 months, with 174 open meetings and 24 closed meetings.<sup>10</sup>

Pursuing both fighting and negotiating, our army and people did not reduce the importance of military offensives, resolutely and actively launched offensives of increasing scope against the enemy, closely combined military struggle with the political and diplomatic ones, and made those struggles act on and motivate one another, with the military offensives playing a directly decisive role.

The course of development of simultaneously fighting and negotiating reflected the balance of power between us and the enemy in different periods. Although we succeeded in forcing the enemy to sit down and negotiate and the balance of power was changing in such a way as to benefit our army and people, the American imperialists, in spite of their failures, still had large forces and a lot of money, resources, bombs, and ammunition, and therefore fought back very fiercely and created a great deal of difficulty for us, which required us to make tremendous efforts on the battlefields. This fact also reflected the tough and decisive nature of a just war, in which things that were small and few could be used to fight and oppose things that were great and abundant.

#### Footnotes

1. The 101st Paratroop Division was the strategic force America put to the disposal of NATO.
2. From Resolution of the Political Bureau, October and November 1966.

3. From Resolution of the 13th Plenum of the CPV Central Committee, January 1967.

4. From Resolution of the Political Bureau, December 1967, which was also Resolution of the 14th Plenum of the CPV Central Committee, January 1968.

5. Following its establishment, the PRGRSV was recognized by 20 countries.

6. On 12 January 1970, American Senator McCarthy was sent to meet with Minister Nguyen Thi Binh; on 1 July 1970, David Bruce was named the new chief delegate for resumption of the talks.

7. See articles written about those operations by Colonel Generals Tran Van Quang, Hoang Minh Thao, and Hoang Cam in TAP CHI QUAN DOI NHAN DAN issues of April, June, and August 1987.

8. At this point in time, America mobilized 14.5 units consisting of as many as 1,177 tactical aircraft, or 40 percent of the total of America's tactical aircraft units, 198 B-52's (or 45 percent), and 240 puppet tactical aircraft. The number of American aircraft used in the war against Vietnam was equal to the total number of aircraft in the air forces of Britain, France, and West Germany.

9. See the article, "About the Antiaircraft Operation of 12 Days and Nights of December 1972 (18-29 December 1972)," by Lieutenant General Hoang Phuong, in TAP CHI QUAN DOI NHAN DAN, issue of October 1987.

10. In Paris there took place 174 four-party meetings held on Kleber Street and 24 secret meetings between America and the DRV. The total time of those negotiations was longer than the time of America's participation in World War II.

5598

#### Survey Reflects Attitude of Youths Toward Negative Acts

42090191 Hanoi THANH NIEN in Vietnamese  
Mar 88 pp 20-22

[Article by Nguyen Vi Nhuan: "Young People and the Struggle Against Negative Acts"]

[Text] The fact that in recent years young people in rather large numbers were patronizing coffee shops to talk with one another and to kill time was a phenomenon that has been making quite a great deal of people wonder whether our youths today become older than their years much sooner than their fathers and brothers did, and whether they still are enthusiastic and eager to embark on the fight for justice and social democracy, or whether they only want to be left alone in a peaceful manner.



Many village elders have noted that in villages and hamlets young people are virtually competing with one another for the elderly people's "leading role" in engagement and wedding ceremonies, death anniversaries, festivals, and so on.

Everywhere, particularly in cities, there is an almost regular increase in the degree of indifference among young people toward innocent people's sorrows and losses caused by bad persons.

Is it true that our youths are now becoming coarse and weak? For how long do they show the positive character of their age? Does the role of youth still respond to social aspirations, or does it come to an end? Many other questions about the group of people in their tender age still lack satisfactory answers.

The struggle against all social negative acts that is taking place reveals that in a number of organs and enterprises, the assault role of young workers and civil servants is quite obscure. Here they close their eyes to let the opportunists commit abusive acts; there they either are tempted by negative and backward things or single-handedly fight against the wicked behavior of some people in power.

So how do we young people get involved in the struggle against social negative acts? What is hampering these young people?

The above-mentioned doubts and guesses come from different angles and degrees. However, we should note that although the youths constitute a separate social group, they are in each case a member of a family. They live and act under separate conditions and actual circumstances, and are influenced by social factors, sometimes in a critical and severe manner.

Whether they like it or not, the young people today mostly are dependent on their families. Although they still have energy to fight what is bad, it is true that this energy is not all the time easily and favorably mobilized for this fight.

Many sociological investigations conducted in the last few years in Ho Chi Minh City to find out about the lives of the hard-core youth force have affirmed that young people still were ready to engage in society's fight against all wicked and reactionary forces.

An example: The sociological investigation of the lives of the city's youths and teenagers conducted in 1982-1983 measured their attitude toward the social negative acts. The question that was asked then was about the attitude toward what was most condemnable. The results obtained were as follows:

Type of negative acts	Percentage of youths condemning
Murder/robbery	82.4
Speculation, smuggling	27.0
Heroin, narcotics	34.2
Prostitution	19.6
Corruption committed by cadres	46.5
Accepting bribes	7.6
Living at the expense of others	11.8
Eating, drinking, spending excessively	10.2
Repression, oppression against the masses	46.5

From this survey of youth attitudes we have learned the following: The fact that the young people did oppose those nine negative acts, even though the degree of their opposition varied, showed that they were still concerned about life and still recognized that those negative acts meant misfortune for everybody. What should be eliminated and considered intolerable because of the danger it would cause to security and properties of people was murder committed along with robbery. Another reason was that this negative act would reach the level of a crime both barbarous and cruel. On the basis of their concern about the common interests, including their own, the absolute majority of young people opposed that dangerous social negative act. However, still quite a few of them (17.6 percent) did not have an opinion about that most condemnable act (murder/robbery). Was it because these youths were too indifferent to society's interests, or because they thought they would never be threatened by that negative act? Or perhaps they would want to rely on the state security organ. That was a gap that the hoodlums and purse snatchers could take advantage of. In reality, this percentage of indifference would seem greater due to the fact that the hoodlums and robbers were working openly in public places in front of large numbers of people including many youths.

The two other negative social acts condemned by many youths, both 46.5 percent, were corruption committed by cadres and repression and oppression of the masses. This condemnation proved that youths are sensitive about the two dangerous ills in the state management machinery. But at that time, only close to 50 percent of the youths expressed their opinion. One reason was that the rest of the youths did not show much concern about public affairs and only those who have had many opportunities to come into contact with such negative acts found it was necessary to express their opposition. Another more important reason was that in spite of the many campaigns against the two negative acts, corruption and oppression of the masses has become a serious epidemic. With a system and chain of protection and cover-up from top to bottom, the two ills have been lingering and there is no cure in sight.

Many campaigns aimed at unmasking those people in power who had taken advantage of their position to commit acts of corruption and to harass and oppress the masses did take place one after another in organs and

enterprises here and there. In the beginning they were truly promising, but later it seemed that some evil force was working to make the effects of the campaigns disappear under its spell—the bad people became honest and innocent, or if nothing else could have been done, they were transferred to other positions, which often were even “fatter” and more lucrative. Some of those people were sent away by localities to “get new training” in various forms and later came back to hold even higher positions than before. Naturally those who had enthusiastically and actively taken part in those campaigns had to face dangerous consequences for themselves and their families. What was even more unfortunate was that they had to act almost as if they were given suspended sentences—they had to go into hiding as they could hardly avoid reprisals from the “victors.” Their plight made young people believe that if one were to fight against negative acts one would have to face reprisals. What is even more ironic, to fight negative acts would be fighting a giant in vain.

The negative act that large numbers of young people, 34.2 percent, condemned was the use of heroin and narcotics. Although the bad practice had been left behind by the old reactionary regime, at that time (1982-1983), it still had dangerous and adverse effects on a number of young people and was the source of other social ills such as smuggling (mainly opium), prostitution, theft and robbery.

At present, there is a tendency for drug addiction to spread among the youth in the cities. This scourge is rising to an alarming level. This shows that even in previous years the youth have been sensitive to the fight against this negative social act. [as published]

Regrettably the party and state organs had not acted in time and, as a result, potential action on the part of youth was at times almost forgotten. The fight against negative acts therefore was only a seasonal activity that lasted for a short time and was then allowed to pass into oblivion.

A sociological investigation of the main youth force in industry and small-scale industry conducted in 1984 showed that youth condemned corruption and authoritarianism to the same degree they condemned murder and robbery in the 1982-1983 investigation. There were then many bitter fights in a number of city organs and enterprises. Not only the youth but also many working people voiced their support and helped the righteous people achieve victory.

How did the young people take part in the fight? Their choices were as follows:

Form of action	Overall Percentage	Nonmembers	Members	Male	Female
1. Fighting on-the-spot	22.2	19.3	31.8	29.5	19.1
2. Reporting to the State Organ	16.2	14.8	20.4	21.0	14.0
3. Reporting to Groups	19.9	15.1	37.6	24.9	18.0
4. Writing to newspapers, radio stations	7.5	7.2	8.2	6.3	6.3
5. Expressing no opinion yet	44.8	49.5	27.8	40.3	47.9

Outstanding among those uneven figures was one that stressed opposition by means of silence: 44.8 percent failing to hold an opinion. It is because the youth have lost confidence in us. The fact that nearly one-half of the youths refused to take any action to fight the negative acts really was frightening. However, only 27.8 percent of youth union members remained silent. It was thus obvious that education by the youth union organization has brought about important results. Youth union members took part in larger numbers in fighting on-the-spot (31.8 percent), reporting any negative acts to the mass organization (37.6 percent), and reporting them to a state organ (20.4 percent). Youths responding favorably to the two forms of action were not in the majority because of obstacles which we will discuss later.

On the basis of the same figures, we found that participation by female youths in the various forms of action was “weaker” than that of their male counterparts. To create favorable conditions for the weaker sex to be more courageous obviously is necessary because women hold key positions in life.

The figures showing the forms of fighting chosen by nonmember youths, which were always lower than figures for youth union members, reflected both lack of enthusiasm and positive thinking on their part and made us think about the leading and exemplary role of HCMCYU members. If this role were truly exploited, every youth union member would succeed in persuading at least one or two youths to take part in the fight. Is it true that this points to the unique pioneering character of the main body of youth?

And so to what extent was the youth union program of action at the basic level linked with reality so that some youths have complained that it was too dull?

We have learned from reality that young people, on the one hand, lacked the education provided by the youth union organization and, on the other, did not acquire understanding through the party organization and administration at the basic level. In the activities of neighborhood cells, if some youths were present, they were sent there only to be counted as representatives of heads of household (their father or mother). As to

meetings in hamlets, local residents normally were the main participants. If some young people were present, their presence was only to increase the busy appearance and merry atmosphere of such gatherings. Youths virtually have a habit of not demanding more strongly that they have an appropriate position in society.

Was it one of the reasons for youth's indifference toward society, demonstrated by the fact that 49.5 percent of nonmember youths and 27.8 percent of youth union members failed to express an opinion against negative social acts?

It is obvious that we should pay attention to educating and organizing the youths to make them display a more positive spirit. As for nonmember youths, we must help them even more so that they will join youth union members in creating greater strength for the fight. Only by doing this can we put an end to the situation in which youth union members are the lonely pioneers.

Although they suggested five forms of fighting the negative acts, the numbers of youths who took part in such a fight were not very large. Evidently there was something that prevented them from joining the fight.

When they were asked about the reasons that had prevented them from fighting, the young people answered that they:

- Were reluctant to take revenge, 13.1 percent;
- Did what other people did, i.e., to remain indifferent, 17.5 percent;
- Let the state organ take care of it, 16.9 percent;
- Believed that to fight would be useless, 10.8 percent;
- Had been fighting without reserve, 30.1 percent;
- Had a different opinion, 6.7 percent;
- Would not want to give any answer, 5.1 percent.

Only nearly one-third (30.1 percent) of the youths were enthusiastically and bravely fighting what was considered scandalously wrong. That force, however, was not strong enough to eliminate the ugly and negative aspects of social life. It is very likely that in the course of the fight this percentage can go down because of many other reasons. Therefore, many youths in reality are the Don Quixote's who single-handedly fight bureaucrats and authoritarians. There have been cases in which they failed, in spite of their great honesty and courage.

The rest, 58.2 percent, of the youths who saw obstacles included those who were reluctant to take revenge, 13.1 percent, and those who were indifferent and did not believe in any success.

And so fear was not the main reason that prevented the youths from joining the fight. What deserves our consideration and serious thinking is the indifferent attitude on the part of young people, i.e., to do what "life dictates"

(since other people are indifferent, they also remain indifferent) and their lack of a sense of responsibility (the state organ takes care of things). The "I don't care" attitude has become quite common and is a dangerous ill among some youths. This attitude is an open invitation for numerous kinds of negative social and encourages outrageous behavior in organs and enterprises, families, schools, among other places.

The youths who do not believe in the success of a fight are also the allies of the "I don't care" youths. Because they lack this belief, they do not act but sit idly and watch events take their course. This attitude is somehow more reproachable than either the indifferent or the "I don't care" attitude.

The realities in everyday life show that if the young people do not actively fight bad elements, they will be suffer at the hands of the latter. A rather eloquent example is drug addiction, the ill that is clinging to a segment of the urban youth population. For many years some youths in many scientific organs have remained passive: all they wanted was to obtain a position and then live with it. They quickly learned from older colleagues the "easy way of life" and followed in their footsteps to become "more experienced." They quietly and obligingly stood in the middle of two or three currents, the senior people's factions being jealous of and constantly fighting one another.

Is it true that in many organs and enterprises there also exists the same style of peaceful coexistence between segments of the youth and the collectives?

At present, the fight against negative social acts is awakening the young generation's awareness of ownership capabilities and their role in society. When party and leadership properly mobilize the youths, the latter will find favorable conditions in which to develop their own positive action. Their involvement in the fight will not be spontaneous and they do not have to take a long detour in order to score a victory. The obstacles that exist in efforts to involve young people in the fight do not disappear very easily.

To help young people foresee difficulties and obstacles is the responsibility of the party at the basic level. To make the youths associate more closely with youth union organizations is also to gradually make them join the ranks in order to fight for social justice.

The fight against negative social acts must not be a seasonal job. Let us equip the fighting youths who have the inherent and potential strength needed for the fight, with education and training to allow the younger generation to understand its interests, role, capabilities, and tasks.